



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**REQUEST FOR PROPOSALS
FOR
MAINFRAME SERVICES**

RFP # 31701-03071

September 26, 2012

RFP CONTENTS

SECTIONS:

- 1. INTRODUCTION**
- 2. RFP SCHEDULE OF EVENTS**
- 3. PROPOSAL REQUIREMENTS**
- 4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS**
- 5. PROPOSAL EVALUATION & CONTRACT AWARD**

ATTACHMENTS:

- 6.1. Proposal Statement of Certifications & Assurances**
- 6.2. Technical Proposal & Evaluation Guide**
- 6.3. Cost Proposal & Scoring Guide**
- 6.4. Reference Questionnaire**
- 6.5. Proposal Score Summary Matrix**
- 6.6. *Pro Forma* Contract**
 - A. Attestations**
 - B. Definitions**
 - C. Mainframe Services – Responsibility Matrix**
 - D. Mainframe Services – Shared/Agency Resp. Matrix**

- E. Federal Mandatory Requirements**
- F. Service Level Agreements (SLAs)**
- G. Human Resources Provisions**
- H. Governance**
- I. Contractor Service Reports**
- J. Provisioning Tasks**
- K. Mainframe Network Connectivity**
- L. Current Data Backup Specifications**
- M. Liquidated Damages**

- 6.7. Glossary**
- 6.8. In-House Developed Procedures**
- 6.9 Current State Mainframe Environment Overview**
- 6.10. Current Mainframe Third-Party Software**
- 6.11. Current Mainframe Hardware**
- 6.12. Current Third-Party Contracts**
- 6.13. Current Mainframe Staff Position Information**
- 6.14. Mainframe Support Costs Base Case**
- 6.15. Best and Final Offer (BAFO) Process**
- 6.16. Best and Final Offer (BAFO) Score Sheets**
- 6.17. Migration Blackout Dates**

1. INTRODUCTION

The State of Tennessee, Department of Finance and Administration, hereinafter referred to as “the State,” has issued this Request for Proposals (RFP) to define minimum service requirements; solicit proposals; detail proposal requirements; and, outline the State’s process for evaluating proposals and selecting a contractor to provide the needed service.

Through this RFP, the State seeks to buy the best services at the most favorable, competitive prices and to give ALL qualified businesses, including those that are owned by minorities, women, persons with a handicap or disability, and small business enterprises, opportunity to do business with the state as contractors and sub-contractors.

1.1. Statement of Procurement Purpose

- 1.1.1. The State’s Office for Information Resources (OIR) is seeking a Contract to outsource its mainframe computer services, which OIR provides to approximately forty (40) State Agencies at varying support levels. In general, the Proposer awarded a Contract pursuant to this RFP will provide a complete mainframe environment and operations staff sufficient to run State Agency systems/applications at performance levels to meet the Service Level Agreements (SLAs) defined in the Contract. The Contractor will also be responsible for all Disaster Recovery Services and testing (in conjunction with State Agencies) necessary to ensure that the State will incur minimal service Outages in the event of a Disaster. (See Contract Attachment B for Definitions and RFP Attachment 6.7 for a Glossary of common terms and acronyms).

As soon as possible, but no longer than two (2) months after the Contract Start Date, the Contractor will become accountable for the Mainframe Services, operating the mainframe environment in its current location at the State Data Center North, located in Nashville, TN. (See RFP Attachment 6.9 for information regarding the State’s current mainframe environment.) The date of this takeover of services by the Contractor in the State Data Center North is referred to as the “Service Start Date.” The Service Start Date is distinct from the “Contract Start Date,” which is the date on which the Term of the Contract begins, as defined in pro forma Contract Section B.1. Within one (1) year from the Contract Start Date, the Contractor will migrate all State mainframe applications and data from the State Data Center North to Contractor-owned equipment/hardware in the Contractor Data Center.

The current mainframe services are provided in both a centralized and, to some extent, decentralized manner, depending upon the State Agency in question. For example, the Departments of Human Services and Revenue are somewhat decentralized, in that they maintain their own production control staffs. All other State Agencies rely on OIR for production control. Under the Contract established by this RFP, the Contractor will be responsible for production control tasks currently performed by OIR; the Department of Revenue will retain its production control staff and tasks; and the Department of Human Services will have the option to retain its production control staff and tasks or to turn over responsibility for production control to the Contractor. Please refer to Contract Attachments C and D for detailed breakouts and descriptions of Contractor, OIR, and State Agency responsibilities.

The Contractor must perform adequate data backups to support Disaster Recovery Services, as well as typical operational recovery needs of the State agencies. During the period of time during which the Contractor provides Mainframe Services in the State’s Data Center environment, the Contractor must utilize the State’s existing Disaster Recovery contract and off-site tape storage contract for these services; the State will provide these contracts for use at no cost to the Contractor. The Contractor must also comply with the retention, scheduling, and other aspects of the data backup requirements currently in place in the State environment. See Contract Attachment L for Current Data Backup Specifications.

- 1.1.2. The State will require the Contractor to employ a subset of current State employees (see Contract Attachment G and RFP Attachment 6.13) for a period of at least one (1) year from the time that they are hired by the Contractor. The Contractor will hire these current State employees prior to the Service Start Date.

- 1.1.3. While Mainframe Services are provided in the State Data Center North, the Contractor must use the Third-Party Vendor hardware and software already in use by the State; the Contractor may provide the hardware or software licenses under Contractor-held or State-held contracts with the Third-Party Vendors. When services are transferred to the Contractor Data Center, the Contractor must provide the hardware and hardware licenses; the State's hardware is not available for transfer to the Contractor Data Center. Also at that time, the Contractor will arrange to license the same Third-Party Vendor software that the State is currently using; or, alternatively, the Contractor may choose different Third-Party Vendor software, which is either already available to the Contractor, or which the Contractor licenses in order to service the State's Contract. No matter what the Contractor's licensing approach is, it will be transparent to the State. Please refer to RFP Attachments 6.10, 6.11, and 6.12 for a list of the State's current Third-Party Contracts and associated hardware and software.

In the event that the Contractor uses any Third-Party Vendor software that is different from Third-Party Vendor software the State is currently using, the Contractor shall perform all tasks necessitated by the change, at no additional cost to the State, including: (1) retrain all affected State staff on the new software; (2) modify the State's run-time software/JCL to accommodate the change; and (3) re-write any job control/scheduling documentation to reflect the change.

- 1.1.4. In the interest of obtaining the best value for the State of Tennessee and insuring the success of the Mainframe Services project, the RFP will incorporate a Best and Final Offer (BAFO) process. First, Proposers will submit an initial Proposal, containing a Technical and Cost Proposal. The State will score the initial Technical Proposal, using the Technical Proposal & Evaluation Guide (RFP Attachment 6.3). The State will review the initial Cost Proposal for reasonableness and to assess whether the Proposer has adequately understood the scope of the project. The initial Cost Proposal will not be scored. Only the BAFO Cost Proposal will be scored and used, along with the BAFO Technical Proposal score, to determine the successful Proposer.

Contemporaneous with the initial scoring process, the State will develop BAFO request documents and when the initial Technical Proposal scoring process is complete, the State will distribute these documents to the Proposers. The initial scores will then be carried forward into the BAFO Proposal scoring round. Regardless of the outcome the initial scoring process, all responsive Proposers are allowed to proceed to the BAFO process, which entails the Proposers responding to the BAFO requests, clarifying or supplementing their Technical Proposals, and submitting the clarifications/supplements along with a BAFO Cost Proposal.

Proposers must submit their BAFO Proposals (including both Technical and Cost Proposals) by the deadline listed in RFP Section 2, RFP Schedule of Events. Evaluators will then rescore Proposal sections for which the Proposers have provided clarified or supplemental information; these are the only sections that evaluators may rescore. (See RFP Attachment 6.15 for a complete description of the BAFO process.)

Except as specifically otherwise indicated in writing by the State, or where provisions are clearly not applicable, all provisions of the RFP governing the initial proposal shall also apply to the BAFO proposal process.

- 1.1.5. The State does not intend to award a Contract to a vendor whose pricing would result in the State paying more for Mainframe Services, over the Term of the Contract, than if the State were to continue to provide these services in house. The State has included a "Mainframe Support Costs Base Case" in RFP Attachment 6.14. The Base Case provides projections of how much it would cost the State to provide the Mainframe Services itself. The Proposer should refer to this Base Case and ensure that its Proposed Costs for On-Going Mainframe Services would not result in an increase in cost to the State.

1.2. **Scope of Service, Contract Period, & Required Terms and Conditions**

The RFP Attachment 6.6., *Pro Forma* Contract details the State's required:

- Scope of Services and Deliverables (Section A);
- Contract Period (Section B);

- Payment Terms (Section C);
- Standard Terms and Conditions (Section D); and,
- Special Terms and Conditions (Section E).

The *pro forma* contract substantially represents the contract document that the successful Proposer must sign.

1.3. **Nondiscrimination**

No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of a Contract pursuant to this RFP or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Contractor pursuant to this RFP shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

1.4. **RFP Communications**

- 1.4.1. The State has assigned the following RFP identification number that must be referenced in all communications regarding this RFP:

RFP # 31701-03071

- 1.4.2. **Unauthorized contact about this RFP with employees or officials of the State of Tennessee except as detailed below may result in disqualification from consideration under this procurement process.**

- 1.4.2.1. Potential Proposers must direct communications relating to this RFP to the following person designated as the RFP Coordinator.

Andy T. Kidd
Sourcing Analyst
State of Tennessee - DGS
Central Procurement Office
William R. Snodgrass TN Tower – 3rd Floor
312 Rosa L. Parks Avenue
Nashville, TN 37243
Telephone # (615) 741-6831
Fax # 615-741-0684
Andy.Kidd@tn.gov

- 1.4.2.2. Notwithstanding the foregoing, potential Proposers may contact:

- a. staff of the Governor's Office of Diversity Business Enterprise for assistance available to minority-owned, women-owned, and small businesses as well as general, public information relating to this RFP; and
- b. the following individual designated by the State to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations:

David Sledge
Title VI Coordinator
Tennessee Department of Finance and Administration
Human Resource Office

21st Floor, Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243
Phone: 615.532.4595
Fax: 615.741.3470
E-mail: David.Sledge@TN.gov

- 1.4.3. Only the State's official, written responses and communications will be binding with regard to this RFP. The State will consider oral communications of any type to be unofficial and non-binding.
- 1.4.4. Potential Proposers must ensure that the State receives all written comments, including questions and requests for clarification, no later than the Written Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.4.5. Proposers must assume the risk of the method of dispatching any communication or proposal to the State. The State assumes no responsibility for delays or delivery failures resulting from the method of dispatch. Actual or digital "postmarking" of a communication or proposal to the State by a specified deadline date will not substitute for the State's actual receipt of a communication or proposal.
- 1.4.6. The State will convey all official responses and communications related to this RFP to the potential Proposers from whom the State has received a Notice of Intent to Propose (refer to RFP Section 1.8).
- 1.4.7. The State reserves the right to determine, at its sole discretion, the method of conveying official, written responses and communications related to this RFP. Such written communications may be transmitted by mail, hand-delivery, facsimile, electronic mail, Internet posting, or any other means deemed reasonable by the State.

Documents essential to the proposal process will be posted on the following website:

<http://state.tn.us/finance/oir/pcm/rfps.html>

- 1.4.8. The State reserves the right to determine, at its sole discretion, the appropriate and adequate responses to written comments, questions, and requests related to this RFP. The State's official, written responses will constitute an amendment of this RFP.
- 1.4.9. Any data or factual information provided by the State (in this RFP, an RFP amendment or any other communication relating to this RFP) is for informational purposes only. The State will make reasonable efforts to ensure the accuracy of such data or information, however it is within the discretion of Proposers to independently verify any information before relying thereon.

All statistical, fiscal, and volume information contained in this RFP and its exhibits, including amendments and modifications thereto, are provided "as is", without warranty, and reflect the department's best understanding based on information available to the department at the time of RFP preparation. No inaccuracies in such data shall be a basis for delay in performance or a basis for legal recovery of damages, actual, consequential or punitive, except to the extent that such inaccuracies can be shown beyond reasonable doubt to be the result of intentional misrepresentation.

1.5. **Assistance to Proposers With a Handicap or Disability**

Potential Proposers with a handicap or disability may receive accommodation relating to the communication of this RFP and participating in the RFP process. Potential Proposers may contact the RFP Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 2, Schedule of Events.

1.6. **Proposer Required Review & Waiver of Objections**

- 1.6.1. Each potential Proposer must carefully review this RFP, including but not limited to, attachments, the RFP Attachment 6.6., *Pro Forma* Contract, and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction (collectively called “questions and comments”).
- 1.6.2. Any potential Proposer having questions and comments concerning this RFP must provide such in writing to the State no later than the Written Comments Deadline detailed in the RFP Section 2, Schedule of Events.
- 1.6.3. Protests based on any objection shall be considered waived and invalid if the objection has not been brought to the attention of the State, in writing, by the Written Comments Deadline.

1.7. **Pre-Proposal Conference**

A Pre-Proposal Conference will be held at the time and date detailed in the RFP Section 2, Schedule of Events. Pre-Proposal Conference attendance is not mandatory, and potential Proposers may be limited to a maximum number of attendees depending upon overall attendance and space limitations.

The conference will be held at:

Multimedia Room
3rd Floor, Snodgrass TN Tower
312 Rosa L. Parks Ave.
Nashville, 37243

The purpose of the conference is to discuss the RFP scope of services. The State will entertain questions, however potential Proposers must understand that the State’s response to any question at the Pre-Proposal Conference shall be tentative and non-binding. Potential Proposers should submit questions concerning the RFP in writing and must submit them prior to the Written Comments Deadline date detailed in the RFP Section 2, Schedule of Events. The State will send the official response to questions to potential Proposers as indicated in RFP Section 1.4.6 and on the date detailed in the RFP Section 2, Schedule of Events.

1.8. **Notice of Intent to Propose**

Before the Notice of Intent to Propose Deadline detailed in the RFP Section 2, Schedule of Events, potential Proposers should submit to the RFP Coordinator a Notice of Intent to Propose (in the form of a simple e-mail or other written communication). Such notice should include the following information:

- the business or individual’s name (as appropriate)
- a contact person’s name and title
- the contact person’s mailing address, telephone number, facsimile number, and e-mail address

A Notice of Intent to Propose creates no obligation and is not a prerequisite for making a proposal, however, it is necessary to ensure receipt of any RFP amendments or other notices and communications relating to this RFP.

1.9. **Proposal Deadline**

A Proposer must ensure that the State receives a proposal no later than the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events. A proposal must respond, as required, to this RFP (including its attachments) as may be amended. The State will not accept late proposals, and a Proposer’s failure to submit a proposal before the deadline will result in disqualification of the proposal.

2. RFP SCHEDULE OF EVENTS

2.1. The following RFP Schedule of Events represents the State's best estimate for this RFP.

EVENT	TIME (central time zone)	DATE (all dates are state business days)
1. RFP Issued		September 26, 2012
2. Disability Accommodation Request Deadline	2:00 p.m.	October 1, 2012
3. Pre-proposal Conference	2:00 p.m.	October 3, 2012
4. Notice of Intent to Propose Deadline	2:00 p.m.	October 4, 2012
5. Written "Questions & Comments" Deadline	2:00 p.m.	October 16, 2012
6. State Response to Written "Questions & Comments"		October 30, 2012
7. Initial Proposal (Technical and Cost) Deadline	2:00 p.m.	November 13, 2012
8. State Opening of Initial Proposals (Technical and Cost)	2:00 p.m.	November 13, 2012
9. State Completion of Initial Technical Proposal Evaluations		November 29, 2012
10. State Distributes Written BAFO Requests		December 13, 2012
11. BAFO Proposal (Technical and Cost) Deadline	2:00 p.m.	December 21, 2012
12. State Completion of BAFO Technical Proposal Evaluations		January 8, 2013
13. State Opening & Scoring of BAFO Cost Proposals		January 9, 2013
14. State Evaluation Notice Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	January 14, 2013
15. Contract Signing		January 25, 2013
16. Contractor Contract Signature Deadline	2:00 p.m.	February 1, 2013

2.2. **The State reserves the right, at its sole discretion, to adjust the RFP Schedule of Events as it deems necessary.** Any adjustment of the Schedule of Events shall constitute an RFP amendment, and the State will communicate such to potential Proposers from whom the State has received a Notice of Intent to Propose (refer to section 1.8).

3. PROPOSAL REQUIREMENTS

3.1. Proposal Form

Each Proposer must submit proposals in response to this RFP in accordance with the provisions of this RFP Section 3, including its subsections. There will be two distinct Proposal processes: (1) Initial Proposal, also known as "Round 1," and consisting of a Technical and Cost Proposal; and (2) BAFO Proposal, also known as "Round 2," which will also consist of a Technical and Cost Proposal. The BAFO process is further described in RFP Attachment 6.15.

- 3.1.1. **Technical Proposal.** The RFP Attachment 6.2., Technical Proposal & Evaluation Guide details specific requirements for making a Technical Proposal in response to this RFP. The guide includes mandatory requirement items, general qualifications and experience items, and technical qualifications, experience, and approach items all of which must be addressed with a written response and, in some instances, additional documentation.

NOTICE: A technical proposal must not include any pricing or cost information. If any pricing or cost information amounts of any type (even pricing relating to other projects) is included in any part of the technical proposal, the state will deem the proposal to be non-responsive and reject it.

- 3.1.1.1. A Proposer must use the RFP Attachment 6.2, Technical Proposal & Evaluation Guide to organize, reference, and draft the Technical Proposal by duplicating the attachment, adding appropriate proposal page numbers as required, and using the guide as a table of contents covering the Technical Proposal.
- 3.1.1.2. A proposal should be economically prepared, with emphasis on completeness and clarity. A proposal, as well as any reference material presented, must be written in English and must be written on standard 8 1/2" x 11" pages (although oversize exhibits are permissible). All proposal pages must be numbered.
- 3.1.1.3. All information and documentation included in a Technical Proposal should respond to or address a specific requirement detailed in the RFP Attachment 6.2., Technical Proposal & Evaluation Guide. All information must be incorporated into a response to a specific requirement and clearly referenced. Any information not meeting these criteria will be deemed extraneous and will not contribute to evaluations.
- 3.1.1.4. The State may determine a proposal to be non-responsive and reject it if:
- a. the Proposer fails to organize and properly reference the Technical Proposal as required by this RFP and the RFP Attachment 6.2., Technical Proposal & Evaluation Guide; or
 - b. the Technical Proposal document does not appropriately respond to, address, or meet all of the requirements and proposal items detailed in the RFP Attachment 6.2., Technical Proposal & Evaluation Guide.
- 3.1.2. **Cost Proposal.** A Cost Proposal must be recorded on an exact duplicate of the RFP Attachment 6.3., Cost Proposal & Scoring Guide.

NOTICE: If a Proposer fails to submit a cost proposal exactly as required, the state will deem the proposal to be non-responsive and reject it.

- 3.1.2.1. A Proposer must only record the proposed cost exactly as required by the RFP Attachment 6.3., Cost Proposal & Scoring Guide and must NOT record any other rates, amounts, or information.

For the Initial Cost Proposal only, as described in RFP Section 3.2 below, the Proposer should also provide “PRICING ASSUMPTIONS,” if such assumptions exist. A separate section of the RFP Attachment 6.3 has been provided for this purpose.

- 3.1.2.2. The proposed cost shall incorporate ALL costs for services under the contract for the total contract period.
- 3.1.2.3. A Proposer must sign and date the Cost Proposal.
- 3.1.2.4. A Proposer must submit the Cost Proposal to the State in a sealed package separate from the Technical proposal (as detailed in RFP Sections 3.2.3 and 3.3.3, *et seq.*).

3.2. Initial Proposal Delivery

A Proposer must deliver an Initial Proposal in response to this RFP as detailed below. The State will not accept a proposal delivered by any other method.

- 3.2.1. A Proposer must ensure that both the Initial Technical Proposal and Cost Proposal documents meet all form and content requirements detailed within this RFP for such proposals including but not limited to required signatures.
- 3.2.2. A Proposer must submit the original Initial Technical Proposal and Cost Proposal documents and copies as specified below.

- 3.2.2.1. One (1) original Initial Technical Proposal paper document labeled:

“RFP # 31701-03071 INITIAL TECHNICAL PROPOSAL ORIGINAL”

and eight (8) copies of the Technical Proposal each in the form of one (1) digital document in “PDF” format properly recorded on its own otherwise blank, standard CD-R recordable disc labeled:

“RFP # 31701-03071 INITIAL TECHNICAL PROPOSAL COPY”

The digital copies should not include copies of sealed customer references, however any other discrepancy between the paper Technical Proposal document and any digital copies may result in the State rejecting the proposal as non-responsive.

- 3.2.2.2. One (1) original Cost Proposal paper document labeled:

“RFP # 31701-03071 INITIAL COST PROPOSAL ORIGINAL”

and one (1) copy in the form of a digital document in “PDF” format properly recorded on separate, blank, standard CD-R recordable disc labeled:

“RFP # 31701-03071 INITIAL COST PROPOSAL COPY”

In addition to the Proposed Costs for the required services, the Proposer should also provide “PRICING ASSUMPTIONS,” if such assumptions exist. A separate section of the RFP Attachment 6.3 has been provided for this purpose.

In the event of a discrepancy between the original Cost Proposal document and the digital copy, the original, signed document will take precedence.

3.2.3. A Proposer must separate, seal, package, and label the documents and discs for delivery as follows.

3.2.3.1. The Initial Technical Proposal original document and copy discs must be placed in a sealed package that is clearly labeled:

**“DO NOT OPEN... RFP # 31701-03071 INITIAL TECHNICAL PROPOSAL FROM
[PROPOSER LEGAL ENTITY NAME]”**

3.2.3.2. The Initial Cost Proposal original document, including the PRICING ASSUMPTIONS, if any, and copy disc must be placed in a separate, sealed package that is clearly labeled:

**“DO NOT OPEN... RFP # 31701-03071 INITIAL COST PROPOSAL FROM
[PROPOSER LEGAL ENTITY NAME]”**

3.2.3.3. The separately, sealed Initial Technical Proposal and Cost Proposal components may be enclosed in a larger package for mailing or delivery, provided that the outermost package is clearly labeled:

**“RFP # 31701-03071 INITIAL SEALED TECHNICAL PROPOSAL & SEALED COST
PROPOSAL FROM [PROPOSER LEGAL ENTITY NAME]”**

3.2.4. A Proposer must ensure that the State receives the Initial Proposal in response to this RFP no later than the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events at the following address.

Andy T. Kidd
Sourcing Analyst
State of Tennessee - DGS
Central Procurement Office
William R. Snodgrass TN Tower – 3rd Floor
312 Rosa L. Parks Avenue
Nashville, TN 37243
Telephone # (615) 741-6831

3.3. **BAFO Proposal Delivery**

A Proposer must deliver a BAFO proposal in response to this RFP as detailed below. The State will not accept a proposal delivered by any other method.

3.3.1. A Proposer must ensure that both the BAFO Technical Proposal and Cost Proposal documents meet all form and content requirements detailed within this RFP for such proposals including but not limited to required signatures.

3.3.2. A Proposer must submit original BAFO Technical Proposal and Cost Proposal documents and copies as specified below.

3.3.2.1. One (1) original Technical Proposal paper document labeled:

“RFP # 31701-03071 BAFO TECHNICAL PROPOSAL ORIGINAL”

and eight (8) copies of the Technical Proposal each in the form of one (1) digital document in “PDF” format properly recorded on its own otherwise blank, standard CD-R recordable disc labeled:

“RFP # 31701-03071 BAFO TECHNICAL PROPOSAL COPY”

The digital copies should not include copies of sealed customer references, however

any other discrepancy between the paper Technical Proposal document and any digital copies may result in the State rejecting the proposal as non-responsive.

- 3.3.2.2. One (1) original Cost Proposal paper document labeled:

“RFP # 31701-03071 BAFO COST PROPOSAL ORIGINAL”

and one (1) copy in the form of a digital document in “.xlsx” format properly recorded on separate, blank, standard CD-R recordable disc labeled:

“RFP # 31701-03071 BAFO COST PROPOSAL COPY”

In accordance with the instructions in RFP Attachment 6.3, download and complete the spreadsheet titled: RFP Attachment 6.3 – Cost Proposal & Scoring Guide. When this is complete and finalized, print off a hard copy to satisfy the “original Cost Proposal paper document” requirement above, and copy the same spreadsheet to the required CD-R.

There will be NO PRICING ASSUMPTIONS associated with the BAFO Cost

Proposal. Do **NOT** attempt to include any PRICING ASSUMPTIONS, or otherwise qualify the BAFO Cost Proposal in any way.

In the event of a discrepancy between the original Cost Proposal document and the digital copy, the original, signed document will take precedence.

- 3.3.3. A Proposer must separate, seal, package, and label the documents and discs for delivery as follows.

- 3.3.3.1. The BAFO Technical Proposal original document and copy discs must be placed in a sealed package that is clearly labeled:

**“DO NOT OPEN... RFP # 31701-03071 BAFO TECHNICAL PROPOSAL FROM
[PROPOSER LEGAL ENTITY NAME]”**

- 3.3.3.2. The BAFO Cost Proposal original document and copy disc must be placed in a separate, sealed package that is clearly labeled:

**“DO NOT OPEN... RFP # 31701-03071 BAFO COST PROPOSAL FROM
[PROPOSER LEGAL ENTITY NAME]”**

- 3.3.3.3. The separately, sealed BAFO Technical Proposal and Cost Proposal components may be enclosed in a larger package for mailing or delivery, provided that the outermost package is clearly labeled:

**“RFP # 31701-03071 BAFO SEALED TECHNICAL PROPOSAL & SEALED COST
PROPOSAL FROM [PROPOSER LEGAL ENTITY NAME]”**

- 3.3.4. A Proposer must ensure that the State receives the BAFO Proposal in response to this RFP no later than the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events at the following address.

Andy T. Kidd
Sourcing Analyst
State of Tennessee - DGS
Central Procurement Office
William R. Snodgrass TN Tower – 3rd Floor
312 Rosa L. Parks Avenue
Nashville, TN 37243
Telephone # (615) 741-6831

3.4. Proposal & Proposer Prohibitions

- 3.4.1. A proposal must not include the Proposer's own contract terms and conditions. If a proposal contains such terms and conditions, the State, at its sole discretion, may determine the proposal to be a non-responsive counteroffer and reject it.
- 3.4.2. A proposal must not restrict the rights of the State or otherwise qualify either the offer to deliver services as required by this RFP or the Cost Proposal. If a proposal restricts the rights of the State or otherwise qualifies either the offer to deliver services as required by this RFP or the Cost Proposal, the State, at its sole discretion, may determine the proposal to be a non-responsive counteroffer and reject it.
- 3.4.3. A proposal must not propose alternate services (*i.e.*, offer services different from those requested and required by this RFP). The State will consider a proposal of alternate services to be non-responsive and reject it.
- 3.4.4. A Cost Proposal must not result from any collusion between Proposers. The State will reject any Cost Proposal that was not prepared independently without collusion, consultation, communication, or agreement with any other Proposer. Regardless of the time of detection, the State will consider any such actions to be grounds for proposal rejection or contract termination.
- 3.4.5. A Proposer must not provide, for consideration in this RFP process or subsequent contract negotiations, incorrect information that the Proposer knew or should have known was materially incorrect. If the State determines that a Proposer has provided such incorrect information, the State will deem the Proposer's proposal non-responsive and reject it.
- 3.4.6. A Proposer must not submit more than one Technical Proposal and one Cost Proposal in response to this RFP. If a Proposer submits more than one Technical Proposal or more than one Cost Proposal, the State will deem all of the proposals non-responsive and reject them.
- 3.4.7. A Proposer must not submit a proposal as a prime contractor while also permitting one or more other Proposers to offer the Proposer as a subcontractor in their own proposals. Such may result in the disqualification of all Proposers knowingly involved. This restriction does not, however, prohibit different Proposers from offering the same subcontractor as a part of their proposals (provided that the subcontractor does not also submit a proposal as a prime contractor).
- 3.4.8. A Proposer must not be (and the State will not award a contract to):
 - a. an individual who is, or within the past six months has been, an employee of the State of Tennessee or who is a volunteer member of a State board or commission that votes for, lets out, overlooks, or any manner superintends the services being procured in this RFP;
 - b. a company, corporation, or any other contracting entity in which an ownership of two percent (2%) or more is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee (this will not apply either to financial interests that have been placed into a "blind trust" arrangement pursuant to which the employee does not have knowledge of the retention or disposition of such interests or to the ownership of publicly traded stocks or bonds where such ownership constitutes less than 2% of the total outstanding amount of the stocks or bonds of the issuing entity);
 - c. a company, corporation, or any other contracting entity which employs an individual who is, or within the past six months has been, an employee of the State of Tennessee in a position that would allow the direct or indirect use or disclosure of information, which was obtained through or in connection with his or her employment and not made available to the general public, for the purpose of furthering the private interest or personal profit of any person; or,

- d. any individual, company, or other entity involved in assisting the State in the development, formulation, or drafting of this RFP or its scope of services (such person or entity being deemed by the State as having information that would afford an unfair advantage over other Proposers).

For the purposes of applying the requirements of this RFP subsection 3.4.8, the State will deem an individual to be an employee of the State of Tennessee until such time as all compensation for salary, termination pay, and annual leave has been paid, but the term “employee of the State of Tennessee” shall not include individuals performing volunteer services for the State of Tennessee.

3.5. Proposal Errors & Revisions

A Proposer is liable for any and all proposal errors or omissions. A Proposer will not be allowed to alter or revise proposal documents after the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events unless such is formally requested, in writing, by the State.

3.6. Proposal Withdrawal

A Proposer may withdraw a submitted proposal at any time before the Proposal Deadline time and date detailed in the RFP Section 2, Schedule of Events by submitting a written request signed by an authorized Proposer representative. After withdrawing a proposal, a Proposer may submit another proposal at any time before the Proposal Deadline.

3.7. Proposal of Additional Services

If a proposal offers services in addition to those required by and described in this RFP, the State, at its sole discretion, may add such services to the contract awarded as a result of this RFP. Notwithstanding the foregoing, a Proposer must not propose any additional cost amount(s) or rate(s) for additional services. Regardless of any additional services offered in a proposal, the Proposer's Cost Proposal must only record the proposed cost as required in this RFP and must not record any other rates, amounts, or information.

NOTICE: If a Proposer fails to submit a Cost Proposal exactly as required, the State will deem the proposal non-responsive and reject it.

3.8. Proposal Preparation Costs

The State will not pay any costs associated with the preparation, submittal, or presentation of any proposal.

4. GENERAL CONTRACTING INFORMATION & REQUIREMENTS

4.1. RFP Amendment

The State reserves the right to amend this RFP at any time, provided that it is amended in writing. However, prior to any such amendment, the State will consider whether it would negatively impact the ability of potential Proposers to meet the proposal deadline and revise the RFP Schedule of Events if deemed appropriate. If an RFP amendment is issued, the State will convey it to potential Proposers who submitted a Notice of Intent to Propose (refer to RFP Section 1.8). A proposal must respond, as required, to the final RFP (including its attachments) as may be amended.

4.2. RFP Cancellation

The State reserves the right, at its sole discretion, to cancel or to cancel and reissue this RFP in accordance with applicable laws and regulations.

4.3. State Right of Rejection

4.3.1. Subject to applicable laws and regulations, the State reserves the right to reject, at its sole discretion, any and all proposals.

4.3.2. The State may deem as non-responsive and reject any proposal that does not comply with all terms, conditions, and performance requirements of this RFP. Notwithstanding the foregoing, the State reserves the right to waive, at its sole discretion, a proposal's minor variances from full compliance with this RFP. If the State waives variances in a proposal, such waiver shall not modify the RFP requirements or excuse the Proposer from full compliance with such, and the State may hold any resulting Contractor to strict compliance with this RFP.

4.4. Assignment & Subcontracting

4.4.1. The Contractor may not subcontract, transfer, or assign any portion of the Contract awarded as a result of this RFP without prior approval of the State. The State reserves the right to refuse approval, at its sole discretion, of any subcontract, transfer, or assignment.

4.4.2. If a Proposer intends to use subcontractors, the proposal in response to this RFP must specifically identify the scope and portions of the work each subcontractor will perform (refer to RFP Attachment 6.2., Section B, General Qualifications & Experience Item B.14.).

4.4.3. Subcontractors identified within a proposal in response to this RFP will be deemed as approved by the State unless the State expressly disapproves one or more of the proposed subcontractors prior to signing the Contract.

4.4.4. The Contractor resulting from this RFP may only substitute another subcontractor for a proposed subcontractor at the discretion of the State and with the State's prior, written approval.

4.4.5. Notwithstanding any State approval relating to subcontracts, the Contractor resulting from this RFP will be the prime contractor and will be responsible for all work under the Contract.

4.5. Right to Refuse Personnel

The State reserves the right to refuse, at its sole discretion and notwithstanding any prior approval, any personnel of the prime contractor or a subcontractor providing service in the performance of a contract resulting from this RFP. The State will document in writing the reason(s) for any rejection of personnel.

4.6. Insurance

At any time, the State may require the Contractor resulting from this RFP to provide a valid, Certificate of

Insurance indicating current insurance coverage meeting minimum requirements as may be specified by this RFP. A failure to provide said documentation will be considered a material breach and grounds for contract termination.

4.7. Licensure

- 4.7.1. All persons, agencies, firms, or other entities that provide legal or financial opinions, which a Proposer provides for consideration and evaluation by the State as a part of a proposal in response to this RFP, shall be properly licensed to render such opinions.
- 4.7.2. Before the Contract resulting from this RFP is signed, the apparent successful Proposer (and Proposer employees and subcontractors, as applicable) must hold all necessary, appropriate business and professional licenses to provide service as required. The State may require any Proposer to submit evidence of proper licensure.

4.8. Disclosure of Proposal Contents

- 4.8.1. Each proposal and all materials submitted to the State in response to this RFP become the property of the State of Tennessee. Selection or rejection of a proposal does not affect this right. By submitting a proposal, a Proposer acknowledges and accepts that the full proposal contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.
- 4.8.2. The State will hold all proposal information, including both technical and cost information, in confidence during the evaluation process. Notwithstanding the foregoing, a list of actual Proposers submitting timely proposals may be available to the public, upon request, after technical proposals are opened.
- 4.8.3. Upon completion of proposal evaluations, indicated by public release of an Evaluation Notice, the proposals and associated materials will be open for review by the public in accordance with *Tennessee Code Annotated*, Section 10-7-504(a)(7).

4.9. Contract Approval and Contract Payments

- 4.9.1. This RFP and its contractor selection processes do not obligate the State and do not create rights, interests, or claims of entitlement in either the Proposer with the apparent best-evaluated proposal or any other Proposer. State obligations pursuant to a contract award shall commence only after the contract is signed by the State agency head and the Contractor and after the Contract is approved by all other state officials as required by applicable laws and regulations.
- 4.9.2. No payment will be obligated or made until the relevant Contract is approved as required by applicable statutes and rules of the State of Tennessee.
 - 4.9.2.1. The State shall not be liable for payment of any type associated with the Contract resulting from this RFP (or any amendment thereof) or responsible for any work done by the Contractor, even work done in good faith and even if the Contractor is orally directed to proceed with the delivery of services, if it occurs before the Contract Start Date or after the Contract End Date.
 - 4.9.2.2. All payments relating to this procurement will be made in accordance with the Payment Terms and Conditions of the Contract resulting from this RFP (refer to RFP Attachment 6.6., *Pro Forma* Contract, Section C).
 - 4.9.2.3. If any provision of the Contract provides direct funding or reimbursement for the competitive purchase of services or items to be delivered to the State as a component of contract performance or otherwise provides for the reimbursement of specified, actual costs, the State will employ all reasonable means and will require all such documentation that it deems necessary to ensure that such purchases were competitive

and costs were reasonable, necessary, and actual. The Contractor shall provide reasonable assistance and access related to such review. Further, the State shall not remit, as funding or reimbursement pursuant to such provisions, any amount(s) which it determines did not result from a reasonably competitive purchase or do not represent reasonable, necessary, and actual costs.

4.10. Contractor Performance

The Contractor resulting from this RFP will be responsible for the completion of all service set out in this RFP (including attachments) as may be amended. All service is subject to inspection and evaluation by the State. The State will employ all reasonable means to ensure that service is progressing and being performed in compliance with the Contract, and the Contractor must cooperate with such efforts.

4.11. Contract Amendment

During the course of a Contract pursuant to this RFP, the State may request the Contractor to perform additional work within the general scope of the Contract and this RFP, but beyond the specified scope of service, and for which the Contractor may be compensated. In such instances, the State will provide the Contractor a written description of the additional work. The Contractor must respond to the State with a time schedule for accomplishing the additional work and a price for the additional work based on the rates included in the Contractor's proposal to this RFP. If the State and the Contractor reach an agreement regarding the work and associated compensation, such agreement must be effected by means of a Contract Amendment. Further, any such amendment requiring additional work must be signed by both the State agency head and the Contractor and must be approved by other state officials as required by applicable statutes and rules of the State of Tennessee. The Contractor must not commence additional work until the State has issued a written Contract Amendment with all required approvals.

4.12. Severability

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the State and Proposers will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

5. INITIAL PROPOSAL, BAFO EVALUATION & CONTRACT AWARD

5.1. Evaluation Categories & Maximum Points

The State will consider qualifications, experience, technical approach, and cost in the evaluation of proposals and award points in each of the categories detailed below (up to the maximum evaluation points indicated) to each apparently responsive proposal.

EVALUATION CATEGORY	MAXIMUM POINTS POSSIBLE
General Qualifications & Experience (refer to RFP Attachment 6.2., Section B)	20
Technical Qualifications, Experience & Approach (refer to RFP Attachment 6.2., Section C)	50
Cost Proposal (refer to RFP Attachment 6.3.) The total Maximum Points Possible are distributed across Cost Proposal Subsections as follows: Mainframe Services Transition and Migration – 5 points On-Going Mainframe Services – 24 points Professional Services – 1 point	30

5.2. Evaluation Process

The proposal evaluation process is designed to award the contract resulting from this RFP not necessarily to the Proposer offering the lowest cost, but rather to the responsive and responsible Proposer offering the best combination of attributes based upon the evaluation criteria. ("Responsive Proposer" is defined as a Proposer that has submitted a proposal that conforms in all material respects to the RFP. "Responsible Proposer" is defined as a Proposer that has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.)

Sections 5.2.1.1 through 5.2.1.3 describe the evaluation process for Round 1, the initial Technical Proposal evaluation that precedes the BAFO process; Section 5.3.1.4 outlines the BAFO process and refers to RFP Attachment 6.20 for a detailed description.

5.2.1. **Technical Proposal Evaluation.** The RFP Coordinator and the Proposal Evaluation Team (consisting of three or more State employees) will use the RFP Attachment 6.2., Technical Proposal & Evaluation Guide to manage the Technical Proposal Evaluation and maintain evaluation records.

- 5.2.1.1. The State reserves the right, at its sole discretion, to request Proposer clarification of a Technical Proposal or to conduct clarification discussions with any or all Proposers. Any such clarification or discussion will be limited to specific sections of the proposal identified by the State. The subject Proposer must put any resulting clarification in writing as may be required and in accordance with any deadline imposed by the State.
- 5.2.1.2. The RFP Coordinator will review each Technical Proposal to determine compliance with RFP Attachment 6.2., Technical Proposal & Evaluation Guide, Section A— Mandatory Requirements. If the RFP Coordinator determines that a proposal may have failed to meet one or more of the mandatory requirements, the Proposal Evaluation Team will review the proposal and document the team's determination of whether:
 - a. the proposal adequately meets requirements for further evaluation;

- b. the State will request clarifications or corrections for consideration prior to further evaluation; or,
- c. the State will determine the proposal non-responsive to the RFP and reject it.

Note that Section A will **NOT** be evaluated during the BAFO process, and the Proposer may not use the BAFO process to clarify these items.

- 5.2.1.3. Proposal Evaluation Team members will independently evaluate each Initial Technical Proposal (that appears responsive to the RFP) against the evaluation criteria in this RFP, rather than against other proposals and will score each in accordance with the RFP Attachment 6.2., Technical Proposal & Evaluation Guide, Section C.

The RFP Coordinator will also open the Initial Cost Proposal and, with the assistance of the Evaluation Team and one or more Subject Matter Experts (SMEs), will develop the BAFO Request documents, described below.

- 5.3.1.4. Upon completion of the initial Technical Proposal scoring, the State will execute the BAFO process outlined below. For a detailed description of the process, see RFP Attachment 6.15.
 - a. During the Initial Technical Proposal scoring process the State will develop BAFO Request documents for each of the Proposers.
 - b. Upon completion of initial Technical Proposal scoring, the State will distribute the BAFO Requests to the Proposers.
 - c. The Proposers will submit BAFO Proposals, consisting of separately sealed Technical and Cost Proposals by the deadline given in RFP Section 2, RFP Schedule of Events.
 - d. The State will evaluate and score the BAFO Technical Proposals using the BAFO Score Sheets contained in RFP Attachment 6.16. Prior to distributing these score sheets to the evaluators, the RFP Coordinator, with assistance from the SME(s), will modify these scoresheets such that the evaluators can only score Proposal sections for which the Proposers have provided clarified or supplemental information. Round 1 scores that were not clarified or supplemented will be carried forward and entered into the BAFO Score Sheets.
 - e. The RFP Coordinator, with assistance from the SMEs, will transcribe all scores to a BAFO Proposal Score Summary Matrix (RFP Attachment 6.5). The RFP Coordinator will then calculate the average of the Proposal Evaluation Team member scores for RFP Attachment 6.2., Technical Proposal & Evaluation Guide, Section B and Section C, and record each average as the proposal score for the respective BAFO Technical Proposal section.
 - f. After the BAFO Technical Proposal scores have been finalized, the RFP Coordinator will evaluate the BAFO Cost Proposal as described below.
- 5.2.1.5. Before Cost Proposals are opened, the Proposal Evaluation Team will review the Technical Proposal Evaluation record and any other available information pertinent to whether or not each Proposer is responsive and responsible. If the Proposal Evaluation Team identifies any Proposer that appears not to be responsive and responsible, such that the team would not recommend the Proposer for Cost Proposal Evaluation and potential contract award, the team members will fully document the determination.

- 5.2.2. **Cost Proposal Evaluation.** The RFP Coordinator will open for evaluation the BAFO Cost Proposal of each apparently responsive and responsible Proposer that the Proposal Evaluation Team has effectively recommended for potential contract award and will calculate and record each BAFO Cost Proposal score in accordance with the RFP Attachment 6.3., Cost Proposal & Scoring Guide.
- 5.2.3. **Total Proposal Score.** The RFP Coordinator will calculate the sum of the BAFO Technical Proposal section scores and the BAFO Cost Proposal score and record the resulting number as the total score for the subject Proposal (refer to RFP Attachment 6.5., Proposal Score Summary Matrix).
- 5.2.4. **Negotiation.** The State may elect to negotiate by requesting revised Cost Proposals from apparently responsive and responsible Respondents. However, the State reserves the right to award a contract on the basis of initial proposals received, during the Initial Proposal or the BAFO Proposal rounds. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint. The State reserves the right to conduct multiple negotiation rounds. If the State exercises its right to enter into negotiations, it may identify areas of a proposal that may require further clarification or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State's specifications and/or requirements. The State may seek to clarify those identified issues during negotiations. All responsive respondents will be given equivalent information with respect to cost negotiations. All cost negotiations will be documented for the procurement file. Additionally, the State may conduct target pricing and other price or service level negotiations. Target pricing may be based on considerations such as current pricing, market considerations, benchmarks, budget availability, or other method that does not reveal individual respondent pricing. During target price negotiations respondents are not obligated to meet or beat target prices, but will not be allowed to increase prices. All communications, clarifications and negotiations shall be conducted in a manner that supports fairness in proposal improvement.

Note that each clarification sought by the State may be unique to an individual Respondent.

5.3. **Contract Award Process**

- 5.3.1 The RFP Coordinator will submit the Proposal Evaluation Team determinations and proposal scores to the head of the contracting agency for consideration along with any other relevant information that might be available and pertinent to contract award.
- 5.3.2. The contracting agency head will determine the apparent best-evaluated proposal. (To effect a contract award to a Proposer other than the one receiving the highest evaluation process score, the head of the contracting agency must provide written justification and obtain the written approval of the Commissioner of Finance and Administration and the Comptroller of the Treasury.)
- 5.3.3. The State reserves the right to make an award without further discussion of any proposal.
- 5.3.4. The State will issue an Evaluation Notice identifying the apparent best-evaluated proposal and make the RFP files available for public inspection at the time and date specified in the RFP Section 2, Schedule of Events.

NOTICE: The Evaluation Notice shall not create rights, interests, or claims of entitlement in either the Proposer with apparent best-evaluated proposal or any other Proposer.

- 5.3.5. The Proposer identified as offering the apparent best-evaluated proposal must sign a contract drawn by the State pursuant to this RFP. The contract shall be substantially the same as the RFP Attachment 6.6., *Pro Forma* Contract. The Proposer must sign said contract no later than the Contract Signature by Contractor Deadline detailed in the RFP Section 2, Schedule of Events. If the Proposer fails to provide the signed contract by the deadline, the State may determine that the Proposer is non-responsive to this RFP and reject the proposal.

- 5.3.6. Notwithstanding the foregoing, the State may, at its sole discretion, entertain limited negotiation prior to contract signing and, as a result, revise the *pro forma* contract terms and conditions or performance requirements in the State's best interests, PROVIDED THAT such revision of terms and conditions or performance requirements shall NOT materially affect the basis of proposal evaluations or negatively impact the competitive nature of the RFP and contractor selection process.
- 5.3.7. If the State determines that a proposal is non-responsive and rejects it after opening Cost Proposals, the RFP Coordinator will re-calculate scores for each remaining responsive Cost Proposal to determine (or re-determine) the apparent best-evaluated proposal.

RFP ATTACHMENT 6.1.**RFP # 31701-03071 PROPOSAL STATEMENT OF CERTIFICATIONS AND ASSURANCES**

The Proposer must sign and complete the Proposal Statement of Certifications and Assurances below as required, and it must be included in the Technical Proposal (as required by RFP Attachment 6.2., Technical Proposal & Evaluation Guide, Section A, Item A.1.).

The Proposer does, hereby, expressly affirm, declare, confirm, certify, and assure ALL of the following:

1. The Proposer will comply with all of the provisions and requirements of the RFP.
2. The Proposer will provide all services as defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract for the total contract period.
3. The Proposer accepts and agrees to all terms and conditions set out in the RFP Attachment 6.6., *Pro Forma* Contract.
4. The Proposer acknowledges and agrees that a contract resulting from the RFP shall incorporate, by reference, all proposal responses as a part of the contract.
5. The Proposer will comply with:
 - (a) the laws of the State of Tennessee;
 - (b) Title VI of the federal Civil Rights Act of 1964;
 - (c) Title IX of the federal Education Amendments Act of 1972;
 - (d) the Equal Employment Opportunity Act and the regulations issued there under by the federal government; and,
 - (e) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government.
6. To the knowledge of the undersigned, the information detailed within the proposal submitted in response to the RFP is accurate.
7. The proposal submitted in response to the RFP was independently prepared, without collusion, under penalty of perjury.
8. No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Proposer in connection with the RFP or any resulting contract.
9. Both the Technical Proposal and the Cost Proposal submitted in response to the RFP shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract pursuant to the RFP.

By signing this Proposal Statement of Certifications and Assurances, below, the signatory also certifies legal authority to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If the signatory is not the Proposer (if an individual) or the Proposer's company *President* or *Chief Executive Officer*, this document must attach evidence showing the individual's authority to bind the proposing entity.

DO NOT SIGN THIS DOCUMENT IF YOU ARE NOT LEGALLY AUTHORIZED TO BIND THE PROPOSING ENTITY

SIGNATURE:

PRINTED NAME & TITLE:

DATE:

PROPOSER LEGAL ENTITY NAME:

PROPOSER FEDERAL EMPLOYER IDENTIFICATION NUMBER (or SSN):

RFP ATTACHMENT 6.2. — Section A**TECHNICAL PROPOSAL & EVALUATION GUIDE**

SECTION A: MANDATORY REQUIREMENTS. The Proposer must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Proposer must also detail the proposal page number for each item in the appropriate space below.

The RFP Coordinator will review the proposal to determine if the Mandatory Requirement Items are addressed as required and mark each with pass or fail. For each item that is not addressed as required, the Proposal Evaluation Team must review the proposal and attach a written determination. In addition to the Mandatory Requirement Items, the RFP Coordinator will review each proposal for compliance with all RFP requirements.

PROPOSER LEGAL ENTITY NAME:			
Proposal Page # (Proposer completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
		The Proposal must be delivered to the State no later than the Proposal Deadline specified in the RFP Section 2, Schedule of Events.	
		The Technical Proposal and the Cost Proposal documentation must be packaged separately as required (refer to RFP Section 3.2., <i>et. seq.</i>).	
		The Technical Proposal must NOT contain cost or pricing information of any type.	
		The Technical Proposal must NOT contain any restrictions of the rights of the State or other qualification of the proposal.	
		A Proposer must NOT submit alternate proposals.	
		A Proposer must NOT submit multiple proposals in different forms (as a prime and a sub-contractor).	
	A.1.	Provide the Proposal Statement of Certifications and Assurances (RFP Attachment 6.1.) completed and signed by an individual empowered to bind the Proposer to the provisions of this RFP and any resulting contract. The document must be signed without exception or qualification.	
	A.2.	Provide a statement, based upon reasonable inquiry, of whether the Proposer or any individual who shall perform work under the contract has a possible conflict of interest (e.g., employment by the State of Tennessee) and, if so, the nature of that conflict. NOTE: Any questions of conflict of interest shall be solely within the discretion of the State, and the State reserves the right to cancel any award.	
	A.3.	Provide a current bank reference indicating that the Proposer's business relationship with the financial institution is in positive standing. Such reference must be written in the form of a standard business letter, signed, and dated within the past three (3) months.	
	A.4.	Provide two current positive credit references from vendors with which the Proposer has done business written in the form of standard business letters, signed, and dated within the past three (3) months.	
	A.5.	Provide an official document or letter from an accredited credit bureau, verified and dated within the last three (3) months and indicating a positive credit rating for the Proposer (NOTE: A credit bureau report number without the full report is insufficient and will <u>not</u> be considered responsive.)	

PROPOSER LEGAL ENTITY NAME:			
Proposal Page # (Proposer completes)	Item Ref.	Section A— Mandatory Requirement Items	Pass/Fail
	A.6	<p>Provide evidence that the Proposer has been providing mainframe services, similar to those mainframe services requested in this RFP, to at least one (1) client using a minimum of one thousand five-hundred (1500) MIPS for a minimum of five (5) years in the Proposer's data center facilities.</p> <p>As evidence of meeting this requirement, the Proposer will provide the following for the client:</p> <ul style="list-style-type: none"> • client name • description of the mainframe services provided • the date that the Proposer began providing services to the client in the Proposer's data center • the associated number of MIPS 	
<p><i>State Use – RFP Coordinator Signature, Printed Name & Date:</i></p>			

RFP ATTACHMENT 6.2. — SECTION B

TECHNICAL PROPOSAL & EVALUATION GUIDE

SECTION B: GENERAL QUALIFICATIONS & EXPERIENCE. The Proposer must address all items detailed below and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Proposer must also detail the proposal page number for each item in the appropriate space below. Proposal Evaluation Team members will independently evaluate and assign one score for all responses to Section B— General Qualifications & Experience Items.

PROPOSER LEGAL ENTITY NAME:		
Proposal Page # (Proposer completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.1.	Detail the name, e-mail address, mailing address, telephone number, and facsimile number of the person the State should contact regarding the proposal.
	B.2.	Describe the Proposer's form of business (<i>i.e.</i> , individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and business location (physical location or domicile).
	B.3.	Detail the number of years the Proposer has been in business.
	B.4.	Briefly describe how long the Proposer has been performing the services required by this RFP.
	B.5.	Describe the Proposer's number of employees, client base, and location of offices.
	B.6.	Provide a statement of whether there have been any mergers, acquisitions, or sales of the Proposer within the last ten years. If so, include an explanation providing relevant details.
	B.7.	Provide a statement of whether the Proposer or, to the Proposer's knowledge, any of the Proposer's employees, agents, independent contractors, or subcontractors, proposed to provide work on a contract pursuant to this RFP, have been convicted of, pled guilty to, or pled <i>nolo contendere</i> to any felony. If so, include an explanation providing relevant details.
	B.8.	Provide a statement of whether, in the last ten years, the Proposer has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, include an explanation providing relevant details.
	B.9.	<p>Provide a statement of whether there is any material, pending litigation against the Proposer that the Proposer should reasonably believe could adversely affect its ability to meet contract requirements pursuant to this RFP or is likely to have a material adverse effect on the Proposer's financial condition. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it would impair the Proposer's performance in a contract pursuant to this RFP.</p> <p>NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Proposer must be properly licensed to render such opinions. The State may require the Proposer to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders such opinions.</p>
	B.10.	<p>Provide a statement of whether there are any pending or in progress Securities Exchange Commission investigations involving the Proposer. If such exists, list each separately, explain the relevant details, and attach the opinion of counsel addressing whether and to what extent it will impair the Proposer's performance in a contract pursuant to this RFP.</p> <p>NOTE: All persons, agencies, firms, or other entities that provide legal opinions regarding the Proposer must be properly licensed to render such opinions. The State may require the Proposer to submit proof of such licensure detailing the state of licensure and licensure number for each person or entity that renders such opinions.</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

PROPOSER LEGAL ENTITY NAME:		
Proposal Page # (Proposer completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.11.	Provide a brief, descriptive statement detailing evidence of the Proposer's ability to deliver the services sought under this RFP (e.g., prior experience, training, certifications, resources, program and quality management systems, etc.).
	B.12.	Provide a narrative description of the proposed project team, its members, and organizational structure along with an organizational chart identifying the key people who will be assigned to accomplish the work required by this RFP, illustrating the lines of authority, and designating the individual responsible for the completion of each service component and deliverable of the RFP.
	B.13.	Provide a personnel roster listing the names of key people who the Proposer will assign to perform duties or services required by this RFP along with the estimated number of hours that each individual will devote to that performance. Follow the personnel roster with a resume for each of the people listed. The resumes must detail the individual's title, education, current position with the Proposer, and employment history.
	B.14.	<p>Provide a statement of whether the Proposer intends to use subcontractors to accomplish the work required by this RFP, and if so, detail:</p> <ul style="list-style-type: none"> (a) the names of the subcontractors along with the contact person, mailing address, telephone number, and e-mail address for each; (b) a description of the scope and portions of the work each subcontractor will perform; <u>and</u> (c) a statement specifying that each proposed subcontractor has expressly assented to being proposed as a subcontractor in the Proposer's response to this RFP.
	B.15.	<p>Provide documentation of the Proposer's commitment to diversity as represented by its business strategy, business relationships, and workforce— this documentation should detail <u>all</u> of the following:</p> <ul style="list-style-type: none"> (a) a description of the Proposer's existing programs and procedures designed to encourage and foster commerce with business enterprises owned by minorities, women, persons with a handicap or disability and small business enterprises; (b) a listing of the Proposer's current contracts with business enterprises owned by minorities, women, persons with a handicap or disability and small business enterprises, including the following information: <ul style="list-style-type: none"> (i) contract description and total value (ii) contractor name and ownership characteristics (i.e., ethnicity, sex, disability) (iii) contractor contact and telephone number; (c) an estimate of the level of participation by business enterprises owned by minorities, women, persons with a handicap or disability and small business enterprises in a contract awarded to the Proposer pursuant to this RFP, including the following information: <ul style="list-style-type: none"> (i) participation estimate (expressed as a percent of the total contract value that will be dedicated to business with subcontractors and supply contractors having such ownership characteristics — PERCENTAGES ONLY — DO NOT INCLUDE DOLLAR AMOUNTS) (ii) descriptions of anticipated contracts (iii) names and ownership characteristics (i.e., ethnicity, sex, disability) of anticipated subcontractors and supply contractors anticipated; and (d) the percent of the Proposer's total current employees by ethnicity, sex, and handicap or disability. <p>NOTE: Proposers that demonstrate a commitment to diversity will advance State efforts to expand opportunity to do business with the State as contractors and sub-contractors. Proposal evaluations will recognize the positive qualifications and experience of a Proposer that does business with enterprises owned by minorities, women, persons with a handicap or disability and small business enterprises and that offers a diverse workforce to meet service needs.</p>

RFP ATTACHMENT 6.2. — SECTION B (continued)

PROPOSER LEGAL ENTITY NAME:		
Proposal Page # (Proposer completes)	Item Ref.	Section B— General Qualifications & Experience Items
	B.16.	<p>Provide a statement of whether or not the Proposer has any current contracts with the State of Tennessee or has completed any contracts with the State of Tennessee within the previous 5-year period. If so, provide the following information for all of the current and completed contracts:</p> <ul style="list-style-type: none"> (a) the name, title, telephone number and e-mail address of the State contact knowledgeable about the contract; (b) the procuring State agency name; (c) a brief description of the contract's scope of services; (d) the contract term; and (e) the contract number. <p>NOTES:</p> <ul style="list-style-type: none"> ▪ Current or prior contracts with the State are <u>not</u> a prerequisite and are <u>not</u> required for the maximum evaluation score, and the existence of such contracts with the State will <u>not</u> automatically result in the addition or deduction of evaluation points. ▪ Each evaluator will generally consider the results of inquiries by the State regarding all contracts noted.
	B.17.	<p>Provide customer references from individuals (who are <u>not</u> current or former officials or staff of the State of Tennessee) for projects similar to the services sought under this RFP and which represent:</p> <ul style="list-style-type: none"> • three (3) of the larger clients for which the Proposer is <u>currently providing mainframe services in the Proposer's data center facilities</u>. At least one of these references should be the same client relationship that the Proposer described in response to RFP Attachment 6.2, Section A, Item A.6. <p>All references must be provided in the form of standard reference questionnaires that have been fully completed by the individual providing the reference as required. The standard reference questionnaire, which <u>must</u> be used and completed as required, is detailed at RFP Attachment 6.4. References that are not completed as required will be considered non-responsive and will not be considered.</p> <p>The Proposer will be <u>solely</u> responsible for obtaining the fully completed reference questionnaires, and for including them within the Proposer's sealed Technical Proposal. In order to obtain and submit the completed reference questionnaires, as required, follow the process detailed below.</p> <ul style="list-style-type: none"> (a) "Customize" the standard reference questionnaire at RFP Attachment 6.4. by adding the subject Proposer's name, and make exact duplicates for completion by references. (b) Send the customized reference questionnaires to each individual chosen to provide a reference along with a new standard #10 envelope. (c) Instruct the person that will provide a reference for the Proposer to: <ul style="list-style-type: none"> (i) complete the reference questionnaire (on the form provided or prepared, completed, and printed using an exact duplicate of the document); (ii) sign <u>and</u> date the completed, reference questionnaire; (iii) seal the completed, signed, and dated, reference questionnaire within the envelope provided; (iv) sign his or her name in ink across the sealed portion of the envelope; and (v) return the sealed envelope containing the completed reference questionnaire directly to the Proposer (the Proposer may wish to give each reference a deadline, such that the Proposer will be able to collect all required references in time to include them within the sealed Technical Proposal). (d) <u>Do NOT open the sealed references upon receipt.</u> (e) Enclose all <u>sealed</u> reference envelopes within a larger, labeled envelope for inclusion in the

RFP ATTACHMENT 6.2. — SECTION B (continued)

PROPOSER LEGAL ENTITY NAME:		
Proposal Page # (Proposer completes)	Item Ref.	Section B— General Qualifications & Experience Items
		<p>Technical Proposal as required.</p> <p>NOTES:</p> <ul style="list-style-type: none"> ▪ The State will not accept late references or references submitted by any means other than that which is described above, and each reference questionnaire submitted must be completed as required. ▪ The State will not review more than the number of required references indicated above. ▪ While the State will base its reference check on the contents of the sealed reference envelopes included in the Technical Proposal package, the State reserves the right to confirm and clarify information detailed in the completed reference questionnaires, and may consider clarification responses in the evaluation of references. ▪ The State is under <u>no</u> obligation to clarify any reference information.
	B.18.	Provide a statement of whether the Proposer has ever been found in Breach or defaulted on a Contract while providing services the same as, or similar to the services requested in this RFP. If so, please describe the circumstances and the resolution of the breach event.
	B.19.	<p>The State is amenable to including some changes to the <i>pro forma</i> contract. The State will take all reasonable suggested alternative or supplemental contract language changes by Proposers under advisement during the evaluation and post award processes, subject to any mandates or restrictions imposed on the State by applicable state law. The State, however, will not take under advisement or consideration any alternative or supplemental suggested contract language changes that were not included in a Proposer's proposal response.</p> <p>Clearly list in the response to B.19 all exceptions the Proposer is taking to the RFP's Pro Forma contract in the Proposer's proposal. Do not include any exceptions or changes that (1) contradict a Federal requirement or a Mandatory Requirement, (2) push back any deadlines, or (3) introduce a significant alteration to the technical requirements. All exceptions must be listed in this section.</p> <p>In addition to the "red-line" exceptions above, the Proposer should also include in response to this Item B.19 any and all Contractor licensing provisions/agreements to which the Proposer will expect the State to comply. Please refer to <i>pro forma</i> Contract Section A.17 for additional information concerning such provisions/agreements.</p>
INITIAL SCORE (for <u>all</u> Section B—Qualifications & Experience Items above): (maximum possible score = 20)		
State Use – Evaluator Identification:		

RFP ATTACHMENT 6.2. — SECTION C

TECHNICAL PROPOSAL & EVALUATION GUIDE

SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Proposer must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Proposer must also detail the proposal page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value 1 = poor 2 = fair 3 = satisfactory 4 = good 5 = excellent

The RFP Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's raw, weighted score for purposes of calculating the section score as indicated.

PROPOSER LEGAL ENTITY NAME:					
Proposal Page # (Proposer completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.1.	Describe the Proposer's understanding of the State's requirements.		10	
	C.2.	Describe how the Proposer will manage the project, ensure completion of the scope of services, and accomplish required objectives.		8	
	C.3.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 1 Operations, addressing all subsections, with particular emphasis on the following sections: 1.1, 1.4, 1.7, 1.8, 1.10, 1.12, and 1.27. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		75	
	C.4.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 2 Production Control and Scheduling, addressing all subsections, with particular emphasis on Section 2.1. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		14	
	C.5.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 3 Technical Support.		7	
	C.6.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 4 General Technical Support. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		5	
	C.7.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 5 Capacity Management.		6	

RFP ATTACHMENT 6.2. — SECTION C (continued)

PROPOSER LEGAL ENTITY NAME:					
Proposal Page # (Proposer completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
	C.8.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 6 Configuration Planning .		9	
	C.9.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 7 Database Support and Management . Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		6	
	C.10.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 8 Application Administrative Support . Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		4	
	C.11.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 9.1 Storage and Backup Architecture .		5	
	C.12.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 9.2 Engineering, addressing all subsections, with particular emphasis on Section 9.2.14 . Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		16	
	C.13.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 9.3 Operations and Processing .		5	
	C.14.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 10 Application Administration .		4	
	C.15.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 11.1 Operations and Processing, addressing all subsections, with particular emphasis on Section 11.1.8 .		18	
	C.16.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 11.2 Application Owner Administration, addressing all subsections, with particular emphasis on Section 11.2.4 .		15	
	C.17.	Describe how the Proposer will perform the services detailed		10	

RFP ATTACHMENT 6.2. — SECTION C (continued)

PROPOSER LEGAL ENTITY NAME:					
Proposal Page # (Proposer completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 12 State Agency Support.			
	C.18.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 13 Backup and Recovery Services.		10	
	C.19.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 14 Intrusion Prevention. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		9	
	C.20.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 15 Network Technical Support. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.		10	
	C.21.	Describe how the Proposer will perform the Mainframe Services Transition and Migration detailed in <i>pro forma</i> Contract Section A.2.		10	
	C.22.	Provide an initial Mainframe Services Transition Plan. This Plan should contain all of the elements specified in Contract Section A.2.a, including target dates for accomplishing tasks, and be sufficiently detailed for the State to be able to determine the quality and reasonableness of the Proposer's approach.		10	
	C.23.	Provide an initial Mainframe Services Migration Plan. This Plan should contain all of the elements specified in Contract Section A.2.d, including target dates for accomplishing tasks, and be sufficiently detailed for the State to be able to determine the quality and reasonableness of the Proposer's approach. The Proposer must describe its approach to accommodating the Migration Blackout Dates contained in RFP Attachment 6.17.		20	
	C.24.	Describe how the Proposer will perform the Disaster Recovery services detailed in <i>pro forma</i> Contract Section A.3.h.		20	
	C.25.	Describe how the Proposer has worked with other Third-Party Vendors in the past to effectively deliver operational requirements and improvements through best-in-class solutions.		5	
	C.26.	Describe any "value-added" services that are included within the Proposer's proposal, above and beyond what the State has asked for, that provide significant business relationship advantages and synergies. Be aware that any services described in response to this		5	

RFP ATTACHMENT 6.2. — SECTION C (continued)

PROPOSER LEGAL ENTITY NAME:					
Proposal Page # (Proposer completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	Item Score	Evaluation Factor	Raw Weighted Score
		question must already be included within the pricing that the Proposer has provided in the Cost Proposal. However, <u>DO NOT</u> include, or make any reference to, pricing information in response to this question, or anywhere else within the Technical Proposal.			
	C.27.	Describe a project on which the Proposer has worked with another client to develop a Statement of Work (SOW) for services the same, or similar to, those requested herein; and further describe how the Proposer executed the services under the SOW, or assisted the client in executing the services. If possible, provide a copy of the SOW or an example of the SOW content.		4	
	C.28.	Describe aspects of the Proposer's service offering that make the Proposer flexible and able to make changes to the way it offers the services over the term of the contract, without significant business impact to the State.		10	
<i>The RFP Coordinator will use this sum and the formula below to calculate the section score. All calculations will use and result in numbers rounded to two (2) places to the right of the decimal point.</i>					Total Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>
Total Raw Weighted Score <hr/> Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i>					X 50 <i>(maximum possible score)</i> = SCORE:
<i>State Use – Evaluator Identification:</i>					
<i>State Use – RFP Coordinator Signature, Printed Name & Date:</i>					

RFP ATTACHMENT 6.3.**COST PROPOSAL & SCORING GUIDE****NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED**

COST PROPOSAL SCHEDULE— The Cost Proposal, detailed below, shall indicate the proposed price for the entire scope of service including all services defined in the Scope of Services of the RFP Attachment 6.6., *Pro Forma* Contract and for the entire contract period. The Cost Proposal shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and entered in a format with up to, but not to exceed, six (6) places to the right of the decimal point, depending upon the resolution required for the Cost item in question.

The proposed hourly rates must be fully loaded to include all administrative, ancillary, and travel costs.

The Proposer may enter zero (0) in a required proposed cost cell; however, the Proposer should not leave any proposed cost cell blank. For evaluation and contractual purposes, the State shall interpret a blank Proposed Cost cell as zero (0).

The Proposer must enter only one rate per cost cell; the proposer must **NOT** enter more than one rate or a range of rates in a single cost cell. With the exception of PRICING ASSUMPTIONS during the Initial Proposal, Round 1, the Proposer must **NOT** add any other information to the Cost Proposal.

During Round 1 (the “Initial Proposal” phase), the Proposer should inform the State of any fundamental assumptions that the Proposer has made that have affected the proposed Cost Proposal amounts. There is a Section of the Cost Proposal & Scoring Guide specifically for this purpose, entitled “PRICING ASSUMPTIONS.” The Proposer will use this section to enter the relevant assumptions that the Proposer has made in preparing the Cost Proposal. If the Proposer does not include PRICING ASSUMPTIONS with its sealed Cost Proposal, the State will interpret this to mean that there are no assumptions affecting cost that the Proposer wishes to call to the State’s attention.

The Proposer will include a .pdf and hardcopy version of the PRICING ASSUMPTIONS as a part of its sealed Initial Cost Proposal, as described further in RFP Sections 3.2.2.2 and 3.2.3.2.

IMPORTANT NOTE: THERE WILL BE NO PRICING ASSUMPTIONS SUBMITTED DURING THE BAFO PROPOSAL PROCESS.

NOTICE: The Evaluation Factor associated with each cost item is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Proposer.

Notwithstanding the cost items herein, pursuant to the second paragraph of the pro forma contract section C.1. (refer to RFP Attachment 6.6.), “The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.”

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the proposing entity to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the *President* or *Chief Executive Officer*, this document must attach evidence showing the individual’s authority to legally bind the proposing entity.

PROPOSER SIGNATURE:	
PRINTED NAME & TITLE:	
DATE:	

MAINFRAME SERVICES TRANSITION AND MIGRATION:

The Proposer shall enter into the Proposed Cost cells below a single cost in each cell for the TOTAL cost of each Cost Item Description, including all tasks and services associated with that Cost Item Description. The rows containing "**Additional**" are for the Proposer to enter the TOTAL additional cost to the State for the five (5) year payback to the Proposer for the associated Cost Item Description. This is, in effect, the "cost of money" associated with the State's distributing the compensation for Mainframe Services Transition and Migration over five (5) years.

The rows beginning "Optional DHS..." are for the Proposer to enter its additional costs in the event that DHS chooses to have the Contractor perform Production Control tasks, and this necessitates the Contractor transitioning DHS's Production Control services and staff.

PROPOSER LEGAL ENTITY NAME:			
COST PROPOSAL TABLE A – MAINFRAME SERVICES TRANSITION AND MIGRATION			
Cost Item Description	Proposed Cost	State Use Only	
		Evaluation Factor	Evaluation Cost (cost x factor)
Mainframe Services Transition and Migration Cost (Cont. Section A.2)	\$ / EACH	1	
Mainframe Services Transition and Migration Additional Cost for Payback Over 5 Years (Cont. Section A.2)	\$ / EACH	1	
OIR Transitioned Employees Cost (Cont. Attachment G and RFP Attachment 6.13)	\$ / EACH	1	
OIR Transitioned Employees Additional Cost for Payback Over 5 Years (Cont. Attachment G and RFP Attachment 6.13)	\$ / EACH	1	
Optional DHS Production Control Transition and Migration Cost (Cont. Section A.3.g)	\$ / EACH	1	
Optional DHS Production Control Transition and Migration Additional Cost for Payback Over 5 Years (Cont. Section A.3.g)	\$ / EACH	1	
Optional DHS Production Control Transitioned Employees Cost (Cont. Attachment G and RFP Attachment 6.13)	\$ / EACH	1	

Optional DHS Production Control Transitioned Employees Additional Cost for Payback Over 5 Years (Cont. Attachment G and RFP Attachment 6.13)	\$ / EACH	1	
The RFP Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.			
TABLE A SCORE	$\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$	$\times 5$ <p>(maximum possible score)</p>	= SCORE:
<i>State Use – RFP Coordinator Signature, Printed Name & Date:</i>			

ON-GOING MAINFRAME OUTSOURCING SERVICES:

NOTE: All rates proposed in Table B below must include all administrative, ancillary, and travel costs.

In entering costs into the Proposed Cost cells below, the Proposer may enter up to six (6) places to the right of the decimal point. This is to provide for the additional resolution required for some of these fees. When these numbers are used in the "Evaluation Cost" calculations, the results will be rounded to two (2) places to the right of the decimal point, using the standard Excel rounding process.

The State does not intend to award a Contract to a vendor whose pricing would result in the State paying more for Mainframe Services, over the Term of the Contract, than if the State were to continue to provide these services in house. The State has included a "Mainframe Support Costs Base Case" in RFP Attachment 6.14. The Base Case provides projections of how much it would cost the State to provide the Mainframe Services itself. The Proposer should refer to this Base Case and ensure that its Proposed Costs for On-Going Mainframe Services would not result in an increase in cost to the State.

PROPOSER LEGAL ENTITY NAME:										
COST PROPOSAL TABLE B – ON-GOING MAINFRAME OUTSOURCING SERVICES										
Cost Item Description	Proposed Cost							State Use Only		
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Sum	Evaluation Factor	Evaluation Cost (sum x factor)
Mainframe Processing (Cont. Section A.3)	/ per CPU minute	/ per CPU minute	/ per CPU minute	/ per CPU minute	/ per CPU minute	/ per CPU minute	/ per CPU minute		699,000	
Mainframe Input/ Output (Cont. Section A.3)	/ per 1,000 I/Os	/ per 1,000 I/Os	/ per 1,000 I/Os	/ per 1,000 I/Os	/ per 1,000 I/Os	/ per 1,000 I/Os	/ per 1,000 I/Os		46,287,000,000	
Tape Mount (Cont. Section A.3.e.i)	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month		1,349,000	
Tape Media Storage (Cont. Section A.3.e.ii)	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month	/ per tape (volume serial) per month		1,428,000	
Disk Storage (Cont. Section A.3.f)	/ per MB per day	/ per MB per day	/ per MB per day	/ per MB per day	/ per MB per day	/ per MB per day	/ per MB per day		1,844,078,000	

Tape Cartridge Purchase (Cont. Section A.3.e.iii)	/ per tape	/ per tape	/ per tape	/ per tape	/ per tape	/ per tape	/ per tape		50	
The RFP Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.										
TABLE B SCORE $\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$ X 24 (maximum possible score) = SCORE:										
State Use – RFP Coordinator Signature, Printed Name & Date:										

PROFESSIONAL SERVICES:

Proposed Costs must be fully loaded, to include all ancillary materials and supplies, incidental expenses, and travel. The State will not pay or reimburse for Contractor Personnel travel expenses.

PROPOSER LEGAL ENTITY NAME:										
COST PROPOSAL TABLE C – PROFESSIONAL SERVICES										
Cost Item Description	Proposed Cost							State Use Only		
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Sum	Evaluation Factor	Evaluation Cost (sum x factor)
Project Manager (Cont. Section A.4.f.i)	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour		160	
Advanced Mainframe Programmer/Analyst (Cont. Section A.4.f.ii)	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour		480	
Data Administrator/Datab ase Administrator (Cont. Section A.4.f.iii)	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour		320	
Information Systems Analyst (Cont. Section A.4.f.iv)	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour		400	

PROPOSER LEGAL ENTITY NAME:										
COST PROPOSAL TABLE C – PROFESSIONAL SERVICES										
Cost Item Description	Proposed Cost							State Use Only		
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Sum	Evaluation Factor	Evaluation Cost (sum x factor)
Mainframe Computer Operator (Cont. Section A.4.f.v)	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour	\$ / per hour		20	
The RFP Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.										
TABLE C SCORE $\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}}$ X 1 (maximum possible score) = SCORE:										
State Use – RFP Coordinator Signature, Printed Name & Date:										

PRICING ASSUMPTIONS:

During Round 1 (the “Initial Proposal” phase), the Proposer should inform the State of any fundamental assumptions that the Proposer has made that have affected the proposed Cost Proposal amounts. The Proposer will use the table below to record the relevant assumptions that the Proposer has made in preparing the Cost Proposal.

If the Proposer does not include PRICING ASSUMPTIONS with its sealed Cost Proposal, the State will interpret this to mean that there are no assumptions affecting cost that the Proposer wishes to call to the State’s attention.

IMPORTANT NOTE: PRICING ASSUMPTIONS do NOT apply to the BAFO Cost Proposal. DO NOT include PRICING ASSUMPTIONS in the BAFO Cost Proposal.

PROPOSER LEGAL ENTITY NAME:	
COST PROPOSAL – PRICING ASSUMPTIONS	
[Enter pricing assumptions here. Cell will expand to accommodate additional required space.]	

REFERENCE QUESTIONNAIRE

The standard reference questionnaire provided on the following pages of this attachment MUST be completed by all individuals offering a reference for the Proposer.

The Proposer will be solely responsible for obtaining completed reference questionnaires as required (refer to RFP Attachment 6.2., Technical Proposal & Evaluation Guide, Section B, Item B.17.), and for enclosing the sealed reference envelopes within the Proposer's Technical Proposal.

RFP # 31701-03071 PROPOSAL REFERENCE QUESTIONNAIRE**REFERENCE SUBJECT: PROPOSER NAME (completed by Proposer before reference is requested)**

The "reference subject" specified above, intends to submit a proposal to the State of Tennessee in response to the Request for Proposals (RFP) indicated. As a part of such proposal, the reference subject must include a number of completed and sealed reference questionnaires (using this form).

Each individual responding to this reference questionnaire is asked to follow these instructions:

- complete this questionnaire (either using the form provided or an exact duplicate of this document);
- sign and date the completed questionnaire;
- seal the completed, signed, and dated questionnaire in a new standard #10 envelope;
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the reference subject.

(1) **What is the name of the individual, company, organization, or entity responding to this reference questionnaire?**

(2) **Please provide the following information about the individual completing this reference questionnaire on behalf of the above-named individual, company, organization, or entity.**

NAME:	
TITLE:	
TELEPHONE #	
E-MAIL ADDRESS:	

(3) **What services does /did the reference subject provide to your company or organization?**

(4) **What is the level of your overall satisfaction with the reference subject as a vendor of the services described above?**

Please respond by circling the appropriate number on the scale below.

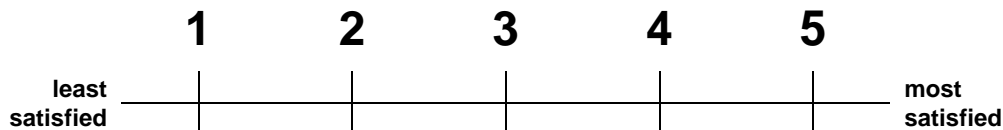
	1	2	3	4	5	
least						most
satisfied	—	—	—	—	—	satisfied

RFP # 31701-03071 PROPOSAL REFERENCE QUESTIONNAIRE — PAGE 2

If you circled 3 or less above, what could the reference subject have done to improve that rating?

- (5) If the services that the reference subject provided to your company or organization are completed, were the services completed in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (6) If the reference subject is still providing services to your company or organization, are these services being provided in compliance with the terms of the contract, on time, and within budget? If not, please explain.
- (7) How satisfied are you with the reference subject's ability to perform based on your expectations and according to the contractual arrangements?
- (8) In what areas of service delivery does /did the reference subject excel?
- (9) In what areas of service delivery does /did the reference subject fall short?
- (10) What is the level of your satisfaction with the reference subject's project management structures, processes, and personnel?

Please respond by circling the appropriate number on the scale below.



What, if any, comments do you have regarding the score selected above?

- (11) Considering the staff assigned by the reference subject to deliver the services described in response to question 3 above, how satisfied are you with the technical abilities, professionalism, and interpersonal skills of the individuals assigned?

Please respond by circling the appropriate number on the scale below.

	1	2	3	4	5	
least						most
satisfied	—	—	—	—	—	satisfied

What, if any, comments do you have regarding the score selected above?

- (12) Would you contract again with the reference subject for the same or similar services?

Please respond by circling the appropriate number on the scale below.

	1	2	3	4	5	
least						most
satisfied	—	—	—	—	—	satisfied

What, if any, comments do you have regarding the score selected above?

REFERENCE SIGNATURE:

(by the individual completing this
request for reference information)

(must be the same as the signature across the envelope seal)

DATE:

RFP ATTACHMENT 6.5.

BAFO PROPOSAL SCORE SUMMARY MATRIX

	<i>PROPOSER NAME</i>	<i>PROPOSER NAME</i>	<i>PROPOSER NAME</i>
GENERAL QUALIFICATIONS & EXPERIENCE (maximum: 20)			
<i>EVALUATOR NAME</i>			
<i>EVALUATOR NAME</i>			
<i>REPEAT AS NECESSARY</i>			
	AVERAGE:	AVERAGE:	AVERAGE:
TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH (maximum: 50)			
<i>EVALUATOR NAME</i>			
<i>EVALUATOR NAME</i>			
<i>REPEAT AS NECESSARY</i>			
	AVERAGE:	AVERAGE:	AVERAGE:
COST PROPOSAL (maximum: 30)			
TABLE A (maximum: 5)	SCORE:	SCORE:	SCORE:
TABLE B (maximum: 24)	SCORE:	SCORE:	SCORE:
TABLE C (maximum: 1)	SCORE:	SCORE:	SCORE:
TOTAL PROPOSAL EVALUATION SCORE: (maximum: 100)			

RFP Coordinator Signature, Printed Name & Date:

RFP # 31701-03071 *PRO FORMA* CONTRACT

The *pro forma* contract detailed in following pages of this exhibit contains some “blanks” (signified by descriptions in capital letters) that will be completed with appropriate information in the final contract resulting from the RFP.

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF FINANCE AND ADMINISTRATION
AND
CONTRACTOR NAME**

This Contract, by and between the State of Tennessee, Department of Finance and Administration, hereinafter referred to as the "State" and **Contractor Legal Entity Name**, hereinafter referred to as the "Contractor," is for the provision of Mainframe Services, as further defined in the "SCOPE OF SERVICES."

The State and the Contractor are referred to collectively, herein, as "the Parties."

The Contractor is **a/an Individual, For-Profit Corporation, Non-Profit Corporation, Special Purpose Corporation Or Association, Partnership, Joint Venture, Or Limited Liability Company.**

Contractor Place of Incorporation or Organization: **Location**

Contractor Edison Registration ID # **Number**

A. SCOPE OF SERVICES:

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract. Except as otherwise expressly provided in this Contract, Contractor will be responsible for providing the facilities, personnel, equipment/hardware, software, technical knowledge, expertise and other resources necessary to provide the Services.

A.2 Mainframe Services Transition and Migration.

The Contractor will take ownership of the Mainframe Services Transition and Mainframe Services Migration during the entire Mainframe Services Transition period and the entire Mainframe Services Migration period, and will be fully responsible for performing the activities set forth in the Mainframe Services Transition Plan and Mainframe Services Migration Plan. The Contractor will perform the Mainframe Services Transition and Mainframe Services Migration without causing disruption to the businesses of the State Agencies.

A.2.a. Mainframe Services Transition.

- i. The Contractor shall assume responsibility and become accountable for Mainframe Services as soon as possible, but no longer than two (2) months, after the Contract Start Date. The actual date that the Contractor becomes accountable for Mainframe Services shall be called the "Service Start Date."
- ii. The Contractor shall initially become accountable for Mainframe Services while the applications and data remain on State-owned equipment/hardware located in the State Data Center North.
- iii. The Contractor shall provide a Mainframe Services Transition Plan, which shall include in-depth transition details, tasks, and time frames (i.e., dates) for the following items for the transition of Mainframe Services in the State Data Center North:
 - (1) Transitioned Employees
 - (2) Knowledge transfer from State Retained Employees
 - (3) Third-Party Vendor licenses
 - (4) Customer Support
 - (5) Disaster Recovery Services
- iv. The Contractor shall include other items in the Mainframe Services Transition Plan that are required to perform a successful transfer; such items may be identified by either the Contractor or the State and will be mutually agreed upon by both Parties.
- v. As a part of its Proposal, the Contractor provided an initial Mainframe Services Transition

Plan. After the Contract Start Date, the Contractor and the State will review the initial plan together. The Contractor will incorporate State input into the plan, resulting in a more detailed Mainframe Services Transition Plan.

- vi. The State shall approve the Mainframe Services Transition Plan in writing. Such approval shall be at the State's sole discretion and will not be unreasonably withheld. The Contractor will commence Mainframe Services Transition once the State approves the Mainframe Services Transition Plan. The Contractor will perform all functions and services necessary to accomplish the Mainframe Services Transition from the State to the Contractor of the Services, within the State Data Center North, in accordance with the final, State-approved Mainframe Services Transition Plan.

A.2.b. Third-Party Vendor Hardware and Software Licenses in the State Data Center.

- i. The Contractor shall use and support the State's already installed Third-Party Vendor hardware and software products while Mainframe Services are provided in the State Data Center North. The Contractor shall not substitute the State's already installed Third-Party Vendor hardware and software products with Contractor-selected products while Mainframe Services are provided in the State Data Center North.
- ii. The Contractor shall assume responsibility for all Third-Party Vendor hardware and software licenses on the Service Start Date. The Contractor shall assume responsibility for an individual Third-Party Vendor's licenses in either of the following methods:
 - (1) The Contractor shall provide the hardware or software license under a Contractor-held contract with the Third-Party Vendor. The State will cancel or amend its current contract with the Third-Party Vendor as soon as possible after licensing begins under the Contractor-held contract.
 - (2) The Contractor shall provide the hardware or software license under the State's existing contract with the Third-Party Vendor. The Contractor may use the State's existing Third-Party Contract until migration of the Mainframe Services to the Contractor Data Center is complete or until the expiration of the State's existing Third-Party Contract, whichever comes first; the State will not renew or extend the State's existing contract with the Third-Party Vendor for Mainframe Services- related hardware or software licenses after the Service Start Date.
- iii. With either method, the following shall apply:
 - (1) In the event that the State has already "pre-paid" for a period of active license time, the Contractor shall reimburse the State for the remaining portion of the license fee, prorated from the Service Start Date, that the State has already paid to the Third-Party Vendor for the license.
 - (2) The Contractor shall reimburse the State for all payment(s) made by the State to the Third-Party Vendor for the license after the Service Start Date.
 - (3) The Contractor may provide reimbursement in the form of a credit against any amount owed by the State to the Contractor, spread over no more than twelve (12) monthly invoices from the Service Start Date, or in the form of direct compensation to the State.

A.2.c. Disaster Recovery Services and Off-Site Tape Storage in the State Data Center.

- i. The Contractor shall assume responsibility for Disaster Recovery Services and off-site tape storage for the State's mainframe environment on the Service Start Date. See Contract Section A.3.h for Disaster Recovery Services requirements.
- ii. The Contractor shall use the State's existing contracts for Disaster Recovery Services and off-site tape storage while Mainframe Services are provided in the State Data Center North, at no cost to the Contractor.

A.2.d. Mainframe Services Migration.

- i. The Contractor shall complete migration of all applications and data to Contractor-owned equipment/hardware in a Contractor Data Center within twelve (12) months after the Contract Start Date. The Contractor shall not schedule the migration of application(s) and/or data during blackout dates identified for State application(s) by the State.
 - ii. The Contractor shall provide a Mainframe Services Migration Plan, which shall include in-depth migration details, tasks, and time frames (i.e., dates) for the following items for the migration of Mainframe Services to the Contractor Data Center:
 - (1) Transitioned Employees
 - (2) Knowledge transfer from State Retained Employees
 - (3) Third-Party Vendor licenses
 - (4) Substitution of Third-Party Vendor software (if applicable)
 - (5) Application transfer
 - (6) Data transfer
 - (7) Tape (physical and virtual) transfer
 - (8) System Security
 - (9) Physical Security
 - (10) Customer Support
 - (11) Off-site tape storage
 - (12) Disaster Recovery Services
 - (13) Rollback if issues encountered during migration
 - iii. The Contractor shall include other items in the Mainframe Services Migration Plan that are required to perform a successful migration; such items may be identified by either the Contractor or the State and will be mutually agreed upon by both Parties.
 - v. As a part of its Proposal, the Contractor provided an initial Mainframe Services Migration Plan. The Contractor and the State will review the initial plan together. The Contractor will incorporate State input into the plan, resulting in a more detailed Mainframe Services Migration Plan.
 - vi. The State shall approve the Mainframe Services Migration Plan in writing. Such approval shall be at the State's sole discretion and will not be unreasonably withheld. The Contractor will commence Mainframe Services Migration once the State approves the Mainframe Services Migration Plan. The Contractor will perform all functions and services necessary to accomplish the Mainframe Services Migration, in accordance with the final, State-approved Mainframe Services Migration Plan.
 - vii. If Mainframe Services Migration is not completed by the migration completion date specified in the applicable Mainframe Services Migration Plan as a result of Contractor's failure to perform Services in accordance with such plan and Contractor does not cure such failure within thirty (30) days after the specified completion date, the State may terminate the Contract or the affected Services by notice of termination to Contractor effective upon such notice or on a later date specified in the termination notice.
- A.2.e. Third-Party Vendor Hardware and Software Licenses in the Contractor Data Center.
- i. The Contractor shall provide all Third-Party Vendor hardware and software licenses under a Contractor-held contract with the Third-Party Vendor for Mainframe Services provided in the Contractor Data Center.
 - ii. The Contractor may substitute the State's already installed Third-Party Vendor software products with Contractor selected products, in accordance with Contract Section A.10.b., when Mainframe Services are provided in the Contractor Data Center.
- A.2.f. State Satisfaction Service Baseline. The Contractor shall ensure that State agencies are satisfied with the Mainframe Services provided by the Contractor. In order to do this, the Contractor will

develop a format for, and perform, an Initial Satisfaction Survey as well as an On-Going Satisfaction Survey. After the Contract is approved, the Parties will mutually agree upon the contents and format for the survey and survey results report.

- i. Initial Satisfaction Survey. After three (3) months have elapsed from the Service State Date (the "Service Quality Assessment Window"), the Contractor shall, within the following month, survey every State agency that receives Mainframe Services. The Contractor will compile the results and report them to the State.
 - ii. On-Going Satisfaction Survey. The Contractor shall perform an On-Going Satisfaction Survey every year on the anniversary date of the end of the Service Quality Assessment Window. Since the final year of the contract will be shortened due to the timing of End-of-Contract Transition, the Contractor will perform the final On-Going Satisfaction Survey sooner than the one-year anniversary, such that the final survey results report will be delivered prior to the Contract End Date.
- A.2.g. Mainframe Services Transition and Migration Compensation. The State shall compensate the Contractor for Mainframe Services Transition and Migration in accordance with Contract Section C.3.b.
- A.3. On-Going Mainframe Services.
- A.3.a. Contractor Service Provision Responsibilities. The Contractor shall be fully responsible to provide all of the services listed under the header "CONTRACTOR RESPONSIBILITY" in Contract Attachment C, *MAINFRAME SERVICES – RESPONSIBILITY MATRIX* (the "Responsibility Matrix"), with the exception of services that are shared between the Contractor, OIR, and/or a State Agency, as described in Section A.3.d below.
 - A.3.b. Office for Information Resources (OIR) Service Provision Responsibilities. "OIR" is the division within the State's Department of Finance and Administration (F&A) that provides centralized Information Technology (IT) support and guidance for most agencies within the State. OIR shall be responsible for the services listed under the header "OIR RESPONSIBILITY" in Contract Attachment C, *MAINFRAME SERVICES – RESPONSIBILITY MATRIX* (the "Responsibility Matrix").
 - A.3.c. State Agency Service Provision Responsibilities. For purposes of this Contract, "State Agency" refers to one of the agencies requiring Mainframe Services. Each State Agency shall be responsible for the services listed under the header "AGENCY RESPONSIBILITY" in Contract Attachment C, *MAINFRAME SERVICES – RESPONSIBILITY MATRIX* (the "Responsibility Matrix").
 - A.3.d. Shared/Agency Service Provision Responsibilities. Certain Mainframe Services are provided by a combination the Contractor, the Office for Information Resources (OIR), and/or a State Agency. The respective responsibilities of the Contractor, OIR, and State Agencies vary, depending upon the specific service and Agency in question. The relevant responsibilities shall be as listed for each service under the appropriate header ("CONTRACTOR RESPONSIBILITY," "OIR RESPONSIBILITY," and "AGENCY RESPONSIBILITY") in Contract Attachment D, *MAINFRAME SERVICES – SHARED/AGENCY RESPONSIBILITY MATRIX*.
 - A.3.e. Tape Media Related Services.
 - i. Tape Mount. As required to support the Mainframe Services, the Contractor will perform all required Tape Mounting activities.
 - ii. Tape Media Storage. As required by the needs of the particular application and at the State's direction, the Contractor will provide in-house (initially at the State Data Center North and after migration, at a Contractor-maintained facility) storage of physical and virtual tape media.
 - iii. Tape Cartridge Purchase. Upon request, the Contractor shall produce tape cartridge(s), containing application data belonging to the requesting State Agency, for delivery to the State

Agency. The Contractor shall be compensated for the production and delivery of the tape cartridge, including the physical tape cartridge, in accordance with Contract Section C.3.c.

A.3.f. **Disk Storage.** As required to support the Mainframe Services, the Contractor will provide sufficient Disk Storage technologies and space to support the efficient operation of all State applications operating on the Contractor's mainframe environment.

A.3.g. **Production Control and Scheduling.**

- i. The Contractor will have two levels of responsibility with regard to Production Control and Scheduling services: (1) Contractor-Provide Production Control; and (2) State-Agency Provided Production Control.
- ii. **Contractor-Provided Production Control.** For State Agencies, excluding the Department of Human Services ("DHS") and the Department of Revenue ("Revenue"), the Contractor shall provide Production Control and Scheduling services as described in Contract Attachment C, *MAINFRAME SERVICES – RESPONSIBILITY MATRIX*, Section 2; and Contract Attachment D, *MAINFRAME SERVICES – SHARED/AGENCY RESPONSIBILITY MATRIX*. The State will also provide the Contractor with "Primary Recovery Instructions," to which the Contractor will refer, to attempt to Resolve job/application issues prior to contacting the affected State Agency.

[NOTE: DHS has requested the option to decide after Contract award, but prior to Contract approval, whether or not DHS wants to have the Contractor perform Production Control tasks. DHS will make this decision prior to Contract approval and Contract Section A.3.g will be modified accordingly.]

- iii. **State-Agency Provided Production Control.** For DHS and Revenue, the State Agencies have decided to retain the majority of the Production Control tasks, and continue to perform these tasks with State Agency staff. The Contractor's tasks under this scenario are detailed in Contract Attachment C, *STATE-AGENCY PROVIDED PRODUCTION-CONTROL – RESPONSIBILITY MATRIX*; and Contract Attachment D, *MAINFRAME SERVICES – SHARED/AGENCY RESPONSIBILITY MATRIX*, Section 2.2, et seq.
- A.3.h. **Disaster Recovery Services.** Either party may declare a Disaster event; however, in all instances the State shall reasonably act as the final determinant with regard to declaring an event a Disaster. Disaster events may be either Force Majeure Events, or events of lesser magnitude that are designated by the State as Disasters.

With regard to Disaster Recovery (DR) Services, the Contractor shall do the following:

- i. Insure data is backed up on regular basis in accordance with Contract Section A.3.h.x.
- ii. Insure backup tapes are sent off-site daily as defined in Contract Section A.3.h.x.
- iii. All Systems and applications shall be restored, up and running, and available for State Agency use within twenty-four (24) hours.
- iv. Provide two forty (40) hour tests per year at OIR scheduled requests.
- v. Provide State Agency support during tests as needed for all agency requests, to include:
 - (1) Technical support Calls.
 - (2) Applications support Calls regarding, but not limited to, the following:
 - (a) Cobol
 - (b) IMS
 - (c) CICS

- vi. For a Disaster at a State Data Center that causes Network Connectivity failure, the Contractor shall be able to connect to other Demarcs defined within the state.
- vii. As of the Service Start Date, the Contractor shall establish and maintain fully functioning connectivity to the State's print center and to the State's Disaster Recovery print center.
- viii. The Contractor will maintain adequate Disaster Recovery Services and Business Continuity Services plans ("Disaster Recovery [DR] Plan") in respect of each Contractor Site that, at a minimum, meet the contractual requirements. Upon a Disaster, the Contractor will promptly undertake all necessary actions and precautions under the DR Plan, and diligently pursue them as necessary to avoid or, if unavoidable, minimize any interruption of Services.
- ix. In the event that the Contractor fails to restore the State's Mainframe Services, after a Disaster is declared, within the timeframes specified in Contract Attachment M, Liquidated Damages, the State will consider the Contractor to be in Breach of Contract and the State may pursue the remedies detailed in Contract Section E.16.
- x. The Contractor shall perform adequate data backups to support Disaster Recovery Services, as well as typical operational recovery needs of the State agencies.
 - (1) During the period of time during which the Contractor provides Mainframe Services in the State's Data Center environment, the Contractor shall comply with the retention, scheduling, and other aspects of the data backup requirements currently in place in the State environment (collectively "Current Data Backup Specifications" [See Contract Attachment L]).
 - (2) After the Mainframe Services are migrated to the Contractor's Data Center, the Contractor may choose, with the State's prior written approval, to modify the Data Backup Specifications. In the event that such modifications require that any changes be made to State applications, software, or require any retraining of State staff, the Contractor shall perform these changes at no additional cost to the State.

A.3.i. Federally Mandated Requirements. The Contractor will:

- i. Provide all services under this Contract in accordance with the Federally Mandated Requirements detailed in Contract Attachment E, including the requirement that the Contractor shall ensure that proper segregation and security of the State's data and information systems are maintained at all times.
- ii. Keep legacy and current Syslog Data for seven (7) years, in accordance with Federal Publication 1075.
- iii. Coordinate with OIR and State Agencies, such that State Agencies can provide yearly security training, as required by Federal Publication 1075.

A.3.j. Compensation for On-Going Mainframe Services. The State will compensate the Contractor for On-Going Mainframe Services in accordance with Contract Section C.3.c. The charges for such services shall be known as the "Base Charges." Except as expressly set forth in the Base Charges, (i) no amounts are payable under this Contract and (ii) there will be no adjustments to the Base Charges. Contractor will invoice the Base Charges as set forth in Section C.3, including such detail as reasonably requested by the State. The State is not liable to pay any Base Charges not invoiced within ninety (90) days after Contractor was first entitled to invoice the State for such fees.

A.3.k. No Off-Shore or Near-Shore Storage of Data. All State Data and any other information-bearing records shall remain at all times within the Continental United States.

- A.3.l. Physical Data Security Requirements. The Contractor shall ensure effective physical security of the State's data stored in the Contractor's mainframe environment. The Contractor shall:
- i. Provide video surveillance on front and back of all physical data storage equipment;
 - ii. Keep 180 days of physical log records of all persons who enter the mainframe processor room or the data storage room with the State's physical data; these log records shall be kept on a Server and shall be readily available;
 - iii. Keep 180 days of all historical recorded surveillance, on Server and readily available;
 - iv. If storage media needs to be replaced, all data will be copied to new storage media and then the old storage media and any data contained thereon, shall be destroyed; and
 - v. Provide State OIR employees with access to surveillance logs and video. If not available at a State Site, or through remote access, then the Contractor must reimburse the State for any expenses incurred by the State for designated employees to travel to the Site where the logs/video are available.
- A.3.m. Services Performed by Affected Employees. The services, functions, responsibilities, and tasks that were performed by Affected Employees on a consistent or routine basis during the twelve (12) months preceding the Service Start Date shall be deemed to be included in the Services provided by the Contractor.
- A.3.n. Reports. Contractor will provide to the State, in a form acceptable to the State, the reports described in Contract Attachment I. The Contractor's costs in collecting and analyzing data and in preparing reports, including changes thereto, are included the On-Going Mainframe Services fees and are not subject to any additional charges, fees, or reimbursements. The State may, at any time during the Contract, require reasonable additional, recurring or ad-hoc reports. Such additional recurring or ad-hoc reports will be provided by Contractor at no additional cost.
- A.3.o. State Billing System.
- a. In order for the State to accurately bill the State Agencies, the Contractor shall provide Mainframe Services such that interface data and/or files (collectively "files") are created and formatted for input into IBM's Computer Installation Management System (CIMS), utilized by the State. The Contractor shall provide the files at a sufficiently detailed level to allow the State to provide each State Agency with a clear, understandable, itemized bill for that Agency's Mainframe Services usage; this detail will be at the State Agency level or lower State Agency division, based on the requirements of the State Agency.
 - b. If the State changes its billing system during the Contract Term, the Contractor will modify the interface file(s) to accommodate the changes. In the event that these changes result in a significant amount of additional work for the Contractor, the State will have the option to develop an SOW to compensate the Contractor for the additional work.
- A.3.p. Service Level Agreements and Liquidated Damages. The Mainframe Services provided by the Contractor are subject to the requirements and performance metrics detailed in RFP Attachment F, Service Level Agreements (SLAs).
- A.4. Professional Services.
- A.4.a. At the State's request, and in accordance with the Statements of Work (SOW) process described in Contract Section A.5, the Contractor shall provide Professional Services ("Professional Services") to perform upgrades and/or enhancements ("Upgrades/Enhancements") to legacy mainframe applications, as well as operational support, as needed beyond the Services already included in the Base Charges. The Contractor will provide programming, analysis, data administration, project management, and computer operation resources as requested by the State.
 - A.4.b. These Professional Services are **NOT** to be used for Mainframe Services Transition and Migration tasks (Contract Section A.2) or On-Going Mainframe Services tasks already included as a part of

the Contractor's normal responsibilities, and included in the Base Charges, as detailed in Contract Attachment C, *MAINFRAME SERVICES – RESPONSIBILITY MATRIX* and Contract Attachment D, *MAINFRAME SERVICES – SHARED/AGENCY RESPONSIBILITY MATRIX* and elsewhere in this Scope of Services.

- A.4.c. Such services may be delivered in the form of short-term, simple engagements; or, alternatively, a longer-term engagement may be required, for example, if the State requires an upgrade or enhancement to a legacy mainframe application. In either case, the SOW process shall be used to plan, initiate, and manage the work performed.
- A.4.d. Use of Professional Services. There is no guarantee that the State will use any of the Contractor's Professional Services. The State retains full control as to the timing and usage of Professional Services.
- A.4.e. Work Location of Professional Services. Professional Services shall be performed at a location of the Contractor's choosing; provided, however, that the Contractor shall ensure Professional Services staff are accessible as necessary to coordinate and execute the work in an efficient and effective manner. The State will provide Network connections (including Virtual Private Network [VPN] accounts as necessary for any Contractor staff requiring remote access).
- A.4.f. Professional Services Job Classification Skills. Professional Services staff assigned to State engagements shall meet the Job Classification requirements detailed below that correspond to the Contractor's hourly rates in Contract Section C.3.d. In the Job Classifications listed below, the State has identified specific software, which, as of the begin date of this Contract, are State standards. However, from time to time the State may add products to the list of accepted State standards, or accept waiver requests to allow applications to be developed using non-State standard products. The same rates and equivalent experience levels shall apply to the pertinent classifications. Professional Services roles, experience, and skill sets are as follows:
 - i. Project Manager – Provides competent leadership and responsible direction through successful performance of a variety of detailed, diverse elements of project management. Directs completion of tasks within estimated time frames and budget constraints. Schedules and assigns duties to project team. Enforces work standards and reviews/resolves work discrepancies to ensure compliance with project requirements. Reports in writing and orally to State management as necessary. Requires an extensive background in managing large, complex projects with outstanding interpersonal and communication skills. Requires four (4) or more years of project management experience, with experience as a Project Manager of projects employing technology similar to that described in this Contract. A certified Project Management Professional is preferred although not required.
 - ii. Advanced Mainframe Programmer Analyst – Analyzes functional business applications and creates design specifications for developing programs. Develops block diagrams and logic flow charts. Translates detailed design into computer software. Tests, debugs, and refines the computer software to produce the required product. Prepares required documentation, including both program-level and user-level documentation. Enhances software to reduce operating time or improve efficiency. Primary skill set comprises COBOL, IMS DB/DC, CICS, and DB2. Secondary skill set includes all other mainframe software standards. Requires a minimum of 2 years of current experience in this job class.
 - iii. Data Administrator/Database Administrator – Designs and reviews database systems; evaluates and recommends changes to database systems; and implements new or revised systems to ensure accuracy, efficiency, and adherence to technical standards. Responsible for providing technical assistance to other personnel involved in computer applications development by answering questions, describing techniques, and writing procedures. Monitors database systems performance, evaluates information gathered from users and other staff and review of historical data, and recommends changes to database systems to ensure optimal performance and productivity. May act as project leader in monitoring performance of database systems, and identifies, evaluates, and makes recommendations to management concerning problems or issues in the database environment to ensure optimal

performance and productivity of database systems. Responsible for the daily maintenance, tracking and documentation of production database systems including creating and scheduling database specific jobs and determining necessary actions to recover from problems or failures. Develop and enforce the Standards, Procedures, and Guidelines to establish the operational framework in which database management systems are consistently and effectively utilized. Research, identify, evaluate and select database software. Instruct users in the use of database software to enhance database system usage, facilitate problem resolution, and maximize customer service. Requires a minimum of 2 years of current experience in this job class with either DB2 or IMS experience

- iv. Information Systems Analyst – Analyzes and documents requirements for mainframe information systems. Develops and/or oversees plans for automated data processing systems from project inception to conclusion. Constructs data models and activity/process models as may be required to define system functions. Coordinates closely with programmers to ensure proper implementation of program and system specifications. Develops, in conjunction with functional users, system alternative solutions. Provides support for the installation, testing, implementation, and on-going maintenance of information systems. Conducts and documents the results of special studies dealing with systems and/or business process issues. Requires a minimum of 3 years of current experience in this job class with excellent interpersonal and communication skills.
 - v. Mainframe Computer Operator – Under general supervision, is responsible for lead mainframe computer operations work of average difficulty in operating "large system" tape drives, printers and master console equipment controlling all job production at a complex operations site; and performs related work as required. An employee in this class coordinates the operation of peripheral equipment and the master console, as well as, monitoring jobs submitted for processing to identify problems that affect computer functions across agencies. Requires a minimum of 2 years of current experience in this job class
- A.4.g. Remuneration for Professional Services. Remuneration for Professional Services shall be based on the applicable payment rate(s) detailed in Contract Section C.3.d, Professional Services Hourly Rates of this Contract.
- A.5. Statements of Work (SOWs).
- A.5.a. From time to time during the Term of the Contract, the State may wish to have the Contractor perform New Services within general Scope of Services of the Contract, but not explicitly defined therein. The State shall request such New Services as follows:
- i. The State will provide Contractor with a general description of the New Services to be provided and/or the business requirements or outcome desired therefrom. The general description shall, at minimum, contain a description of the work to be performed, schedule, the deliverable(s) desired to result from the performance of the work, and such other provisions as are necessary to describe the associated work.
 - ii. Contractor will promptly, and at no charge to State, prepare and deliver to the State a proposed Statement of Work (SOW). A draft SOW format of will be developed and agreed to jointly by the Parties, after the Contract Start Date. Actual SOWs will then be in a form substantially similar to the agreed-to format. In the event that the Contractor perceives the SOW to have a negative impact on some aspect of its service delivery, the Contractor shall promptly advise the State in writing of any objections to the schedule of performance and advise the State of any material impact such approved SOW may have on the services, charges, or other significant impact on the Contractor's performance or the State's operations.
 - iii. All Contractor effort with respect to an SOW prior to the issuance of, and agreement upon, an approved SOW shall be conducted within the Contractor's Base Charges.

- iv. The State will review Contractor's proposal and may request changes. The Parties will negotiate in good faith regarding any such requested changes, and work to promptly finalize the SOW.
 - v. The State and the Contractor will agree upon the budget, schedule, and priorities for all SOWs prior to their becoming approved SOWs. The State reserves the right to change the schedule to, budget for, and/or re-prioritize any approved SOW through the use of the Change Management procedures (Contract Section A.15).
 - vi. If the SOW is approved, the Contractor shall perform the associated Project work as described therein until the earlier of completion of the SOW Project, the meeting any of any limitations therein specified, or cancellation of the Project by the State.
- A.5.b. SOWs can be proposed or approved by the State Chief Technology Officer (S-CTO) or the State Service Delivery Manager (S-SDM). Each SOW will be signed by an authorized officer of each Party. Contractor acknowledges and agrees that no SOW will be effective unless and until signed by authorized representatives from the State and the Contractor. Once signed by both Parties, the new SOW will be effective (unless a different SOW Effective Date is specified in the SOW) and the New Services thereunder will form part of the services governed by this Contract.
- A.5.c. Fixed Price SOWs. When the Parties agree upon Fixed Prices for Projects, the Fixed Price shall be reasonably apportioned among all Milestones, and invoices (less applicable Retention) shall be submitted to the State following completion of Milestones, all as specified in Contract Section C.3 and/or by the Project Documents. The Contractor shall base its pricing for Fixed Price Projects on the hourly rates given in Contract Section C.3.d, and shall provide to the State adequate documentation, acceptable to the State, to indicate that the Fixed Prices are based on a realistic number of work hours for the tasks in question. The State reserves the right to question these hourly rates, request additional documentation, and to negotiate lower Fixed Prices, if the State can justify the decrease.
- A.5.d. Time and Materials SOWs. The State may also agree to pay for SOW services undertaken on a time and materials basis by paying invoices for New Services rendered on a monthly basis, in arrears, and in accordance with Section C.3 of the Contract. Contractor will use commercially reasonable efforts to perform New Services and deliver all Deliverables within any estimated price ("Estimated Price") set forth in the relevant Project Documents, but does not guarantee that the time and materials New Services can be completed or the deliverables can be delivered within the Estimated Price. Estimates of numbers of hours by labor category are provided for information only, and Contractor may, in its reasonable discretion, use greater or lesser numbers of hours in any labor category as it deems appropriate to complete the New Services. Contractor will give the State prompt written notice whenever it (i) makes material increases or decreases in the staff assigned to a Project, or the mix of labor categories, or (ii) reasonably foresees that Deliverables cannot be completed within the Estimated Price, or on or before any time schedule set forth in the relevant Project Documents. In any event, Contractor will submit revised estimates of the total cost to complete, and estimated time to completion at regular intervals (and unless otherwise agreed, at least every three [3] months) during performance of each Project. If at any time any Project is reasonably estimated, by either Party, to cost more than one hundred percent (100%) of the Estimated Price (or other estimate of total cost), the Project shall be subject to suspension or termination (as provided below), in the State's discretion, as well as further review and re-authorization by the State's responsible management.
- A.5.e. In addition to the services, functions, responsibilities and tasks expressly described in the scope of services or other detailed description of the New Services under an SOW, the following are deemed to be included in such New Services as if expressly described therein:
- i. services, functions, responsibilities and tasks that are reasonably required for, or incidental to, the proper performance and provision of the expressly described New Services or are otherwise customarily performed by providers of the expressly described New Services;
 - ii. communication and coordination of efforts by and among Contractor Personnel as required to

perform such services, functions, responsibilities and tasks pursuant to a Statement of Work.

- A.5.f. All SOWs are subject to the terms and conditions of this Contract.
- A.5.g. The State and Contractor acknowledge and agree that the State may, at any point in the SOW process, in its sole discretion, obtain the services contemplated by the SOW from a Third-Party Vendor.
- A.5.h. Notwithstanding that each SOW is a separate document, subject to the terms of the Contract; this Contract together with each SOW is to be interpreted as a single agreement so that all of the provisions are given as full effect as possible.
- A.5.i. SOW Warranties. The Contractor shall warrant deliverables produced pursuant to an SOW as follows:
 - i. "Critical Failure" Defined. "Critical Failure" shall be any failure of a Component to perform substantially in accordance with its specifications set forth in the Project Documents which either (1) prevents the relevant software Component(s) from providing substantially all of one or more of the material functions identified in the SOW, or (2) prevents the proper operation of other material Components or functions of the hardware and software environment into which it is to be installed.
 - ii. Warranty. Otherwise, and except as provided in Contract Section A.5.i.iii below, Contractor warrants to the State that each software Component of a deliverable will perform free of Critical Failures when used in accordance with its specifications in a Production Environment for a period of ninety (90) days after Acceptance by the State.
 - iii. Third-Party Vendor and Contractor Products. Contractor may acquire certain deliverables from Third-Party Vendors. Other deliverables may consist, wholly or partially, of Contractor commercial products subject to standard warranties. To the extent that Third-Party Vendors provide warranties to Contractor, and the Third-Party Vendor products are delivered to the State without (1) modification or (2) incorporation into deliverables, Contractor will pass such warranties through to the State.
- A.5.j. Complex Project-Related Provisions. In the event the State deems the work defined by the SOW to be sufficiently complex, the following provisions will also apply:
 - i. Within the SOW, the Contractor shall describe the software, documentation, goods, services and other documentary or other deliverables (collectively, "Deliverables") that will be delivered to the State. Unless otherwise agreed, the SOW shall further specify, as applicable, the scope, work plan, Project organization, assumptions, acceptance criteria, the State and Contractor responsibilities, SOW-specific warranties, and delivery schedule.
 - ii. The State shall pay for the New Services and deliverables in accordance with Contract Section C.3. When the SOW so specifies, payments for SOW-related services and deliverables will be contingent upon acceptance of deliverables and/or completion of specific tasks (collectively, "Milestones") and shall be subject to retention of an agreed percentage of each payment until completion of all Milestones and/or final acceptance of the particular SOW ("Retention"). Retention shall be released to Contractor according to an agreed schedule, upon completion of Milestones and/or final Acceptance. Releases of Retention shall be conditioned upon completion to the State's reasonable satisfaction of all corrective work identified through inspections and acceptance tests for relevant phases and Milestones; but the final portions of Retention may be reserved for release upon successful completion of (1) acceptance tests for all Deliverables, and/or (2) initial production use during the applicable warranty period described below. Milestones, retention amounts and proportions shall be agreed on a case-by-case basis in Project Documents.

- iii. The Contractor's fees for project management related to SOW work will be included within the Base Charges, to the extent that such services can be provided within the resources ordinarily assigned to performance of On-Going Mainframe Services for the State. If, for a particular SOW, additional management resources are required, the State may, at its option, (1) temporarily relieve the Contractor of Service Level Agreements or other obligations, so that the New Services may be performed within the available resources, without additional charge or undue impact upon operations or Service Level Agreement performance, or (2) authorize additional resources, for which the State will pay at the appropriate contract rates, as expressed in Contract Section C.3.d.
- iv. Contractor Project Manager. For Complex SOWs, the State will require the Contractor to assign a Project Manager who will be the State's primary point of contact in all matters pertaining to the Project. The Contractor's Project Manager(s) shall possess the qualifications detailed in Contract Section A.4.f.i. The Contractor Project Manager shall provide project management services, including the following:
 - (1) manage the Project, including planning, directing and monitoring all Project activities;
 - (2) develop the detailed SOW with the assistance of the State Project Manager;
 - (3) maintain SOW documentation;
 - (4) establish the SOW team and, in conjunction with the State Project Manager, orient team members regarding the SOW management process and the SOW, including individual responsibilities, deliverables, schedules, etc.;
 - (5) be the primary point of contact to the State for establishing and maintaining communications through the State Project Manager;
 - (6) define and monitor the support resources required for the SOW so that that these resources are available as scheduled;
 - (7) measure, track and evaluate progress against the SOW definition;
 - (8) obtain and provide information, data, decisions and approvals within a reasonable time frame following the State's request (generally anticipated to be five [5] Business Days), unless otherwise mutually agreed
 - (9) resolve deviations from the SOW with the State Project Manager;
 - (10) administer and, in conjunction with the State Project Manager, be accountable for Change Management related to the SOW;
 - (11) plan, schedule and participate in periodic SOW reviews, as applicable, including review of the work products being produced; and
 - (12) provide periodic written status reports to the State that provide information such as schedule status, technical progress, issue identification and related action plans.
- v. State Project Manager. For complex SOWs, the State will assign a Project Manager, who will have the authority to act on behalf of the State in all matters pertaining to the Project. The State Project Manager will assist the Contractor Project Manager with project management, including:
 - (1) be the single-point-of-contact for the management of State's obligations under the SOW;

- (2) serve as the interface between the SOW team members and the State or State Agencies participating in the SOW tasks;
 - (3) define the State's business and technical requirements for each SOW;
 - (4) work with the Contractor Project Manager to develop a detailed SOW definition and verify that the definition meets the State's business and technical requirements;
 - (5) assign State Personnel to the SOW as required by the SOW definition and, in conjunction with the Contractor Project Manager, orient team members regarding the SOW management process and the SOW definition, including individual responsibilities, deliverables, schedules, etc.;
 - (6) provide operational guidance to manage and be accountable for the performance of State Personnel assigned to the Project;
 - (7) administer and, in conjunction with the Contractor Project Manager, be accountable for Change Management related to the SOW;
 - (8) attend SOW planning/review/status meetings, as required;
 - (9) obtain and provide information, data, decisions and approvals reasonably requested by Contractor;
 - (10) coordinate and schedule the attendance of State Personnel, as appropriate, at planning/review/status meetings;
 - (11) assist in the resolution of SOW issues and escalate as needed;
 - (12) provide review and confirm that the deliverables meet the completion criteria set forth in the applicable SOW definition; and
 - (13) manage the performance of the State's responsibilities specified in the SOW documents.
- vi. Project Change Management. Either Party may request a change to SOW tasks or deliverables, subject to the Change Management procedures, described in Contract Section A.15.
- vii. Reports. For each complex SOW, Contractor shall deliver written reports summarizing progress at the intervals specified by the SOW. Each such report shall identify any significant unresolved problems in the SOW along with Contractor's proposed plans for resolution and the estimated time for resolution. Each party shall promptly notify the other, in writing, upon becoming aware of any potentially significant delay in the SOW.
- viii. Acceptance of Deliverables. The criteria for acceptance of deliverables shall be as defined in the SOW.
- A.6. Expense Reimbursement. In accordance with Contract Section C.4, the State will not reimburse the Contractor for out-of-pocket expenses incurred by the Contractor in connection with the performance of short-term engagement or Project-related services. To the extent reasonably practicable, and as agreed for particular Projects, the Contractor shall staff Projects with personnel who ordinarily reside near Nashville, Tennessee or approved locations where the Contractor customarily performs Services.
- A.7. Work Prioritization. The State may identify new activities to be performed by Contractor Staff (including work activities that would otherwise be treated as a Project) or reprioritize or reset the schedule for existing work activities to be performed by such Contractor Staff; provided that such

activities are similar to the types of activities that the Contractor Staff is trained to perform. Unless otherwise agreed, the State will incur no additional charges for the performance of such work activities by Contractor Staff to the extent then assigned to the State. The Contractor will use commercially reasonable efforts to perform such work activities without impacting the established schedule for other tasks or the performance of the Services in accordance with the SLAs. If after using such efforts it is not possible to avoid such an impact, the Contractor will notify the State of the anticipated impact and obtain its consent prior to proceeding with such work activities. The State, in its sole discretion, may forego or delay such work activities or temporarily adjust the work to be performed by Contractor, the schedules associated therewith or the SLAs to permit the performance by Contractor of such work activities.

- A.8. Connectivity. The Contractor shall support and set up a site-to-site VPN from the State to the Contractor's Data Center thru the Internet utilizing Public IP addresses to build the tunnel. The Contractor will assign on the mainframe at the Contractor Site 10.x.x.x/28 network. The Contractor will route across the tunnel 10.0.0.0/8 addresses. The State will route to the Contractor 10.x.x.x/28 across the VPN tunnel. [Note: The State will provide exact IP addresses to the Contractor after Contract award.]

See Contract Attachment K for a diagram of the State's required Mainframe Network Connectivity.

If, during the Term of the Contract, the State or Contractor changes any software, hardware, or Sites related to the Connectivity solution, the Parties will work together to ensure that the Connectivity solution will work with the current technology and Sites. In the event that State-implemented changes results in significant additional work for the Contractor, the State will have the option of processing an SOW to compensate the Contractor for the additional effort.

- A.9. Use of State's Remedy System. The State's BMC Remedy System will be the required system used by the State and the Contractor to document and track progress on Tickets related to "Break/Fix" repairs (Remedy tickets referred to as Incidents), Provisioning requests (Remedy tickets referred to as Work Orders), and System Changes (Remedy tickets referred to as Change Requests). Each type of ticket is discussed in greater detail in sections that follow.

The Contractor shall complete all Remedy tickets for Break/Fix repairs and Provisioning requests at no additional charge to the State. There shall be no limit to the number of tickets that the State may initiate for these tasks during the Term of the Contract.

The State's Remedy System will not be used to track SOW-based projects and tasks, defined in Contract Section A.5., unless the SOW includes System Changes, which shall be tracked as specified in Contract Section A.9.d.

In the event that the State changes from Remedy to a different Ticket tracking system, the State will require the Contractor to use the new Ticket tracking system.

- A.9.a. Contractor Support Center Requirements.

The Contractor shall have a 24x7x365 Support Center. The Support Center shall provide systems support for the Mainframe Services delivered under this Contract. Most OIR and State Agency contact to the Support Center will be initiated via a Ticket entered by the OIR Service Desk (OSD) into the Remedy System. The Support Center may also receive tickets directly from State Agencies via the Remedy System. The Support Center will be required to use the Remedy System in order to interface with OIR and State Agencies.

The Contractor shall also provide a toll-free number and e-mail address for OIR and State Agency access to the Support Center.

- A.9.b. Break/Fix Repairs.

- i. The OSD will use the State's BMC Remedy ticketing system to enter Incidents when there is a Break/Fix problem with the mainframe, such as State Agency user access or job/application issues.

- ii. The OSD will provide Level 1 support for the State Agencies. Upon receipt of a Call from the State Agency, the OSD will open an Incident and enter the appropriate information into the Remedy System. If the OSD is unable to Resolve the Incident, the OSD will make a determination on routing to the appropriate "Level 2" support group, including the Contractor, based on the issue being reported. Level 2 support means any Incident that cannot be Resolved by the OSD.
- iii. The OSD will establish a priority level for the Incident: Critical, High, or Medium. Every Incident, including Incidents routed to the Contractor, will be subject to an SLA, described in Contract Attachment F, with the following required Resolution Times, based upon the priority level of the ticket:
 - Critical – Three (3) hours
 - High – Five (5) hours
 - Medium – Eleven (11) hours

These Resolution Times are predefined and have been agreed upon between OIR and the State Agencies.

- iv. Upon receiving the Level 2 support Incident from the OSD, the Contractor will Resolve the Incident, within the Resolution Time for the established priority level of the Incident, including, but not limited to, involvement of Third-Party Vendor support staff, if required. The Contractor will document all changes in status and the Resolution of the Incident within the Remedy System.
- A.9.c. Provisioning. Provisioning refers to certain State Agency requested activities in the mainframe environment. A list of these activities, for which the Contractor is responsible, is found in Contract Attachment J. SLAs associated with Provisioning tasks are described in Contract Attachment F.
- i. To request mainframe Provisioning activities from the Contractor, a State Agency or OIR will submit a service request for the activity from the OIR Service Catalog, which will automatically generate and route a Work Order to the Contractor in the Remedy System. The Contractor may contact the requesting entity directly if information in addition to what is included in the Work Order is required to complete the Provisioning request.
 - ii. The Contractor shall complete the Work Order in accordance with the turnaround times associated with the Provisioning request in Contract Attachment J. These turnaround times are predefined and have been agreed upon between OIR and the State Agencies.
 - iii. There are also mainframe Provisioning activities for which the State will be responsible. If the State encounters a Break/Fix issue while attempting to complete a Work Order, the OSD will enter an Incident into Remedy and route the Incident to the Contractor as a Level 2 support issue; the Contractor will Resolve the Incident in accordance with the Break/Fix Repairs provisions, including the Break/Fix Repairs Resolution Times, detailed above. The State will complete the Provisioning Work Order after the Incident is Resolved.

A.9.d. System Changes.

- i. Any Changes to the State's mainframe environment or infrastructure will go through an approved Change Management process, and will require State approval beginning with the Operations Support Team, and including other State entities depending on the nature and/or severity of the Change and the risk assessment allocated to the Change.
- ii. The Contractor shall enter a Change Request into the Remedy System to document and track the required Change. The Change Request will not move into an implementation stage in the Remedy System until the following items are completed: risk has been assigned to the Change Request; disaster recovery (roll-back) requirements have been accounted for; a change manager has been assigned to the request; the Change Request implementation

dates have been scheduled and appear on the global Change Request calendar; and the Change Request goes through the appropriate predetermined levels of approval in the Remedy System for the type of Change Request selected.

A.9.e. Updates to and Completion of Remedy Tickets

- i. Remedy information is viewable by the State Agencies via the REQ work info log; therefore, proper and timely communication is mandatory when using the State's Remedy System. The Contractor shall update the work info log with status documentation every time a Remedy ticket is saved, in order to maintain good communication with the State Agencies and OIR.
- ii. The total length of time required to Resolve a ticket will be tracked in the Remedy System, and where applicable, will be used by the State to determine whether Resolution Times and turnaround times are being met. The Contractor may put tickets into pending status to suspend the tracking time by 1) selecting a valid pending reason and 2) entering a verifiable justification for the pending status in the work info log. Pending reasons are predefined in the Remedy System and include adhering to a customer schedule or awaiting customer information; any additions or modifications to these predefined pending reasons are at the sole discretion of the State. In addition, the State has the sole determination as to whether the justification for the pending status, entered into the Remedy work info log, is acceptable.
- iii. When the Contractor completes the ticket, the Contractor will update the work-info log and return the ticket to the OSD. The OSD will contact the State Agency to confirm completion. Upon State Agency confirmation, the OSD will Resolve and close the ticket.

A.9.f. Remedy System Requirements.

- i. BMC Remedy IT Service Management for the Enterprise is a web-based suite of applications from BMC Software that integrates and automates IT service and support. Remedy Service Desk, Remedy Change Management, Remedy Service Catalog, Remedy Work Order Management, Remedy Asset Management and Remedy Service Level Management Modules work together as a suite offering. The software provides a shared workflow with a consistent user interface, and a common platform.
- ii. Remedy software will play a critical role as the key communication link between the State Agencies, OIR, and the Contractor. OIR uses BMC Remedy AR System software with the ITSM Suite and Web Services Module. The Web services module allows applications on different systems to pass data back and forth via either Intranet or Internet. The Contractor will be required to utilize the web-based Remedy (ARSystem ITSM Suite) for full integration of service desk operations and ticketing system.
- iii. The State will provide up to ten (10) licenses for the Contractor to access the Remedy System; additional Remedy licenses, if any, required to meet the SLAs are the responsibility of the Contractor.
- iv. The Oracle database that is linked to the Remedy software shall be housed at a State Data Center by OIR.
- v. The Contractor shall use a secure connection, approved by the State, to access the State's Remedy database.
- vi. The Contractor will be provided with a Remedy vendor view which will allow the Contractor to retrieve data contained in the State's Remedy database.

A.10. Systems and Other Current Software Provisions.

- A.10.a. Software Currency. The Contractor shall ensure that all System Software and Third-Party Vendor software versions and releases are kept at and/or upgraded to the current level ("n") for the

duration of the Contract. When a new version or release is issued, the installed version or release (“n-1”) will be upgraded to the current version or release (“n”) within twelve (12) months of the issuance of the new version or release.

A.10.b. System Software Substitution. If the Contractor chooses to substitute other software for any of the Systems or other Third-Party Vendor software in the State’s former mainframe environment (“Current Software”) at anytime during the Contract, the following provisions will apply:

- i. The Contractor shall provide written evidence to the State substantiating that the substituted software runs equally as efficiently as the Current Software, and the substitution will not result in any increase in cost to the State. The Contractor will provide to the State benchmark reports proving equal efficiency and equal, or lower, cost for the substituted software. The State will not approve the migration of the services from the Current Software to the substituted software until such time as the State is satisfied with the performance of the substituted software.
- ii. The Contractor shall perform all tasks necessitated by the substitution at no additional cost to the State, including the following:
 - (1) The Contractor will train any affected State and Contractor employees in the effective use of the new software.
 - (2) The Contractor shall make, or cause to be made, all programming changes, including customizations made by the State to Third-Party Vendor software, required to remediate any State programs or applications that are in any way negatively affected by the software substitution and shall provide written evidence to the State that such affected programs have been remediated. The State will not approve the migration of the services from the Current Software to the substituted software until such time as the State is satisfied that the remediation has been successfully completed.
 - (3) The Contractor shall make any conversions of State Data required to enable the State Data to be accessed, or otherwise utilized, as required by the State and the Contractor, after migration from the Current Software to the substituted software.

A.10.c. In-House Developed Procedures. The State has ROSCOE and TSO procedures that have been developed “in house” and that are used for application and system administration purposes (“In-House Developed Procedures”) [see RFP Attachment 6.8]. The Contractor shall assume responsibility for the functionality provided by these procedures on the Service Start Date. The Contractor can provide the functionality either through (1) continued use of the In-House Developed Procedure(s) or (2) replacement of the functionality with software and/or procedures of the Contractor’s choosing. In either case, the Contractor shall be responsible for the following:

- i. Maintenance, enhancements, and fixes to the procedures or software;
- ii. Training, if an enhancement/modification to, or substitution of, the procedure or software results in the need to train State staff;
- iii. Any required licensing of Third-Party Vendor products.

A.10.d Manufacturer Maintenance.

- i. The Contractor shall maintain maintenance contracts and keep maintenance of microcode current on all hardware as required by the manufacturer.
- ii. The Contractor shall maintain maintenance contracts and keep System Software and Third-Party Vendor software maintenance current as required by the manufacturer and in accordance with Contract Section A.10.a.

- iii. Maintenance shall be applied during Scheduled Downtime.
- A.11. Termination Assistance. In the event that the Contract is terminated, either through natural expiration of the Contract Term, or through Termination for Convenience or Cause, the Contractor shall provide Termination Assistance Services to the State in providing for an orderly transition of the services from the Contractor's environment to a State or Third-Party Vendor environment. The Contractor's obligations shall be as follows:
- A.11.a. Knowledge Transfer. The Contractor will conduct a reasonable transfer of knowledge regarding the Services, the State's requirements regarding the Services, and related topics so as to facilitate the provision of the Services by the State or its designee. This knowledge transfer shall include:
- i. Supplying information regarding the Services as reasonably necessary to implement the Termination Assistance plan, and providing such information regarding Services as is reasonably necessary for the State or its designee to assume responsibility for continued performance of Services in an orderly manner so as to minimize disruption directly related to the Services, including (1) relevant existing documentation; and (2) key support contacts (names, business phone numbers, fax numbers, e-mail addresses and business postal addresses) of the State and Third-Party Vendor personnel and of Contractor Personnel during the transition from the Contractor to the State or its designee;
 - ii. Supplying information concerning equipment/hardware, software, types and skills of personnel, Third-Party Vendors, and other resources used by Contractor to provide Services to the State under the Contract, as may be reasonably necessary for the State or its designee to assume responsibility for the Services;
 - iii. Explaining the Change Management Procedures, Work Order and Incident management processes, reports, and other standards and procedures to the State or its designee's operations staff;
 - iv. Providing reasonable access by telephone to Contractor Personnel following the conclusion of Termination Assistance Services; provided, however, that (1) all requests for such access shall be coordinated by and with the Contractor Account Executive or his designee, (2) Contractor shall not be obligated to provide a level of such access that would materially disrupt or interfere with the then-current activities of such personnel, and (3) unless otherwise agreed by Contractor, such access shall be limited to Contractor Personnel performing Services in the six (6) months prior to the commencement of the Termination Assistance Services or performing Termination Assistance Services, and (4) such access shall be provided through the end of the six (6) month period after the final conclusion of the Term and all possible Termination Assistance Services under the Contract.
- A.11.b. Transfer of Resources. Contractor shall provide all reasonable assistance required for the transfer to the State or its designee of the resources (equipment/hardware, software and Third-Party Contracts) to which the State is entitled under this Contract. Such assistance shall include at a minimum:
- i. Assisting the State in identifying any Third-Party Vendor services used by Contractor in the performance of Services that would be required by the State or its designee to perform the Services; and
 - ii. Performing routine administrative functions required to effect the assignment of Third-Party Contracts, including transferring billing, executing legal documents, and performing other necessary functions.
- A.11.c. Operational Transition. Contractor shall perform activities required to effect a smooth transition of operational responsibility for the Services. This shall include:

- i. To the extent used to provide the Services and licensed to the State in accordance with Contract Section E.7, documenting and delivering Contractor's source materials (to the extent required under the Contract), object libraries and reference files;
 - ii. To the extent applicable, delivering support profiles, enhancement logs, problem tracking/resolution documentation, and status reports associated with the Services;
 - iii. Identifying projects and other work expected to be in progress, if any, as of the effective date of termination or expiration. With respect to such work, document current status, provide for continuity during transition, and provide reasonable training to achieve transfer of responsibility;
 - iv. To the extent provided for in Contract Section E.7, providing existing documentation used by Contractor to provide the Services, including technical documentation, in hard-copy and electronic media as readily available to the extent required in the Contract;
 - v. To the extent provided for in Contract Section E.7, documenting and delivering data and databases specific to the operation of the Services;
 - vi. Transferring physical and Logical Security processes and tools, including cataloging and tendering badges and keys for State Sites, documenting ownership and access levels for all passwords, access codes and encryption keys, and instructing the State or its designee in the use and operation of security controls Contractor is using to deliver the Services;
 - vii. Freezing System Changes affecting the System used by or behalf of Contractor in providing the Services to the State.
- A.11.d. Human Resources Transfer. Contractor shall provide, to the extent permitted by applicable Law, reasonable access to appropriate information to support the State or its designee in hiring replacement personnel or contract resources to perform the Services.
- A.11.e. End-of-Contract Transition Services. In the event that the State must avail itself of End-of-Contract Transition Services, the State will compensate the Contractor for these services using the hourly-rates given in Contract Section C.3.d. The State will execute an SOW in accordance with the Statements of Work process defined in Contract Section A.5. This SOW will be a Time and Materials SOW, paid on an hourly-basis, for work actually performed, with a negotiated "not-to-exceed" cap on the total amount that can be spent. An amendment to the SOW will be necessary to raise this cap.
- A.11.f. Return of Prepayments. Any charges, expenses, refunds, rebates, credits or other amounts prepaid by the State which Contractor has not (1) paid back to the State or (2) applied to invoices presented for Services rendered to the State prior to the effective date of the termination will be, at the State's option, credited toward a Termination Charge or paid to the State in cash to the extent such amounts are related to the terminated Services giving rise to such Termination Charge.
- A.11.g. Mitigation of Wind-Down Expenses.
- i. Contractor shall use commercially reasonable efforts to avoid incurring or to minimize costs that are reimbursable as wind-down expense items. The commercially reasonable efforts to be employed by Contractor shall include, to the extent applicable: (1) providing the State with a list of all licenses, leases, contracts and/or equipment/hardware and the costs associated with each within thirty (30) days after Contractor's receipt of the notice of termination, (2) working with the State to identify all commercially reasonable means to avoid or minimize such costs, (3) offering to make the Third-Party Vendor licenses, equipment/hardware leases, Contractor-owned equipment/hardware and Third-Party Contracts available to the State, (4) redeploying any remaining Third-Party software, equipment/hardware and Third-Party Contracts within Contractor's organization if, and as soon as, commercially reasonable, (5) negotiating with the applicable Third-Party Vendor to eliminate or reduce the charges or charges to be incurred, and/or (6) selling, canceling or otherwise disposing of any Third-Party

Vendor licenses, equipment/hardware leases, Contractor-owned equipment/hardware and Third-Party Contracts that cannot be redeployed.

- ii. In addition, Contractor shall use commercially reasonable efforts to avoid agreeing in any of its subcontracts or other Third-Party Contracts to termination or cancellation fees or non-cancellable charges and, to the extent it is unable to avoid agreeing to such terms, Contractor shall fully disclose such terms to the State in seeking the State's approval of such subcontracts or other Third-Party Contracts.

A.11.h. Criticality and Continuity of State's Mainframe Services. The Contractor understands that, due to the critical nature of many applications running on the State's mainframe environment, it is not an option for the State to have any Downtime whatsoever, beyond that expressed in the SLAs. Consequently, in the event of any Contractual dispute between the Parties, the Contractor agrees to use its best efforts to continue services in good faith, at the same levels as were provided before the dispute ensued, until such time as the dispute can be resolved to the satisfaction of the parties. This includes cooperating fully in the event of the transfer of the Mainframe Services to a Third-Party Vendor, to ensure the continuity of Mainframe Services. Contractor acknowledges that, due to the substantial and immediate harm that a refusal to perform Mainframe Services would cause to the State, the State is entitled to seek injunctive relief against Contractor for its refusal to provide such services and recover from Contractor its attorneys' fees and costs in seeking such relief. Such relief does not limit the State for seeking any other breach of contract remedy.

A.11.i. Survival of Termination Assistance Provisions. Where this Contract provides for immediate termination (or termination after a specified notice period), this Contract will cease to be effective at the specified time (or after the specified notice period) only if the State has not elected to receive Termination Assistance Services under Contract Section A.11, Termination Assistance. If the State has elected to receive Termination Assistance, this Contract will remain in effect, for the purposes of Termination Assistance, until the end of the applicable Termination Assistance Period.

A.12. Human Resources Provisions. The Contractor shall comply with the Human Resources Provisions detailed in Contract Attachment G.

A.13. Key Contractor Personnel.

The following two (2) Contractor roles will be considered Key Contractor Personnel for this Contract:

- Contractor Service Delivery Manager
- Contractor Transition/Migration Manager

It is critical to the overall success of the project that the Contractor not remove or reassign, without the State's prior written approval, which shall not be unreasonably withheld, any of the Key Contractor Personnel until such time as the Key Contractor Personnel have completed their planned and assigned responsibilities in connection with performance of the Contractor's obligations under the Contract.

In the event any one of the Key Contractor Personnel is reassigned, becomes incapacitated, or ceases to be employed by Contractor and therefore becomes unable to perform the functions or responsibilities assigned to him or her, Contractor shall (a) within two (2) Business Days, temporarily replace such individual with another individual properly qualified to perform the functions of such replaced individual, and (b) within twenty (20) Business Days, permanently replace such replaced individual with another individual approved by the State and properly qualified to perform the functions of such replaced individual.

The unauthorized removal of Key Personnel by the Contractor, while those personnel are still actively employed or subcontracted by the Contractor, shall be subject to Breach and Liquidated Damages provisions detailed in Contract Section E.16 and Contract Attachment M.

- A.14. Contractor Personnel. The State shall have the right to approve the assignment and replacement by the Contractor of Key Contractor Personnel or Professional Services Personnel assigned to provide services, including, without limitation, any individuals named or described in the Contractor's Proposal, and individuals assigned significant managerial responsibilities as mutually agreed by the Parties. Before assigning an individual to any of these positions, the Contractor shall notify the State of the proposed assignment, shall introduce the individual to the appropriate representatives of the State, and shall provide to the State a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting approval.

The State reserves the right to require the Contractor to replace Contractor and/or subcontractor Key Contractor Personnel or Professional Services Personnel whom the State judges to be incompetent, careless, unsuitable or otherwise objectionable, or whose continued use is deemed contrary to the best interests of the State. Before a written request is issued, authorized representatives of the State and the Contractor will discuss the circumstances. Upon receipt of a written request from an authorized representative of the State, the Contractor shall be required to proceed with the replacement. The replacement request will include the desired replacement date and the reason for the request. The Contractor shall use its best efforts to effect the replacement in a manner that does not degrade service quality. This provision will not be deemed to give the State the right to require the Contractor to terminate any Contractor employee's employment. Rather, this provision is intended to give the State only the right to require that the Contractor discontinue using an employee in the performance of services for the State.

- A.15. Change Management. Changes to any part of the Contract, including the Governance Model, Statement of Work, Service Level Agreements and/or associated Attachments will be managed by the Contract Management Team (Contract Attachment H). Events that could (but will not necessarily) require a change include annual business planning activities, audit or regulatory requirements, benchmark study results, process improvement team recommendations, initiatives, changes in the State's Technical Architecture, standards, policies and procedures. In each case the following process will be followed to manage changes:
- A.15.a. The initiator/sponsor of the change will document that request and present it to the Contract Management Team for consideration. The Change Request document shall include at a minimum a detailed description of the recommended change, the objective and benefits of the change, the price to implement the change, significant risks associated with making the change, the impact of the change to other processes or schedules, and other relevant information as appropriate. The initiator/sponsor will also provide a high-level implementation project plan for the change. Upon review of the requested change, the Contract Management Team will determine the appropriate members of the Governance Teams who will have approval authority for the change. This could include members of the Executive Steering Committee and the Operations Support Team. The initiator/sponsor will be responsible to present the requested change to the defined approving authorities and to provide the status of the Change Request to the Contract Management Team on at least a monthly basis. If the designated approving authorities deny the change, the Change Request will be closed. If the designated approving authorities approve the change, the initiator/sponsor will provide a detailed project plan for implementation approved by all stakeholders to the Contract Management Team. The initiator/sponsor will assign a project manager to manage the implementation plan and provide monthly status to the Contract Management Team until such time as the change has been implemented and the request can be closed.
- A.15.b. Denial of Change Request. Change Requests denied by the designated approving authorities, may be escalated by the initiator/sponsor to the Executive Steering Committee who will have the final authority to approve or deny that request for change.
- A.16. Status Reporting. The Contractor's Account Executive will provide status reports to the State's Executive Sponsor at regular intervals, but no more infrequently than quarterly. These status reports will include performance to Service Level Agreements, project status, budget status, and customer satisfaction.

- A.17. Contractor Licensing Agreements. The State recognizes that the Contractor may require the State to agree to certain Contractor licensing provisions associated with the services provided. If this is the case, any and all Contractor licensing agreements shall be included (in original or modified form) as addenda to this Contract, and the State's signature on this Contract shall constitute the State's written agreement to the provisions so included. **The State will not sign separate Contractor or Contractor-required Third-Party Vendor licensing agreements.** Moreover, in the event of any conflict between the terms of this Contract and the terms of any Contractor software licensing provisions, the terms of this Contract shall prevail. In addition, the State reserves the right to modify the Contractor's software licensing provisions prior to agreeing to them, if the State deems this necessary in order to meet State legal requirements.
- A.18. Notice of Adverse Impact. If the Contractor becomes aware of any situation (a) that has negatively impacted or reasonably could negatively impact the maintenance of the State's internal controls or compliance with the State's physical security, information security or other policies or procedures described in this Contract, or applicable Laws; (b) that has had or reasonably could have any other material adverse impact on the Services (including any delay in delivery or performance, change in control or change in legal form of the Contractor, or infringement of Third-Party rights); or (c) any other act, omission or development which would be important for the State to be aware of in order to take precautions to prevent an adverse effect to its businesses or reputation, then the Contractor will promptly inform the State in writing of such situation and the impact or expected impact and, if appropriate, the Contractor and the State will meet to formulate and implement an action plan to minimize or eliminate the impact of such situation.
- A.19. Governance. The State has established a Governance model to facilitate effective management of the Contract. The respective responsibilities of the State and the Contractor with regard to Governance are detailed in Contract Attachment H.
- A.20. Knowledge Sharing.
- a. At least once every Contract Year, or on request after at least thirty (30) days' notice from the State (but no more than twice in a Contract Year), Contractor will meet with representatives of the State in order to (i) explain how the Mainframe Services are provided, (ii) explain how the Contractor Systems work and should be operated and (iii) provide such training and documentation as the State may require for the State (1) to provide services that interact with or interface with the Mainframe Services and (2) to understand and operate the Contractor Systems and understand and perform the Mainframe Services after the expiration or termination of this Contract.
 - b. Upon the State's request from time to time, the Contractor will provide to the State a full description of the processes, tools and environmental configuration with respect of the Mainframe Services.
- A.21. Technology and Process Evolution. In providing the Services to the State, the Contractor will, at no additional cost to the State: (i) continually improve its technology and processes in order to allow the State to take advantage of technological and process advances related to the Services, and (ii) provide for the State's consideration any technology developments that could reasonably be expected to have a positive impact on the Services, which the Contractor uses or intends to use for any of its other customers for similar services.
- A.22. State Systems/Applications. The Contractor will use commercially reasonable efforts to ensure that, in providing the Services, it does not, without the consent of the State, adversely affect or alter (i) the operation, functionality or technical environment of the software and hardware used by or on behalf of the State or its Agencies in connection with their businesses or (ii) the processes used by the State or its Agencies in connection with their businesses.

B. CONTRACT PERIOD:

- B.1. This Contract shall be effective for the period beginning March 1, 2013 (the "Contract Start Date"), and ending on February 28, 2021 (the "Contract End Date"). The Contractor hereby acknowledges and affirms that the State shall have no obligation for services rendered by the Contractor which were not performed within this specified contract period.
- B.2. Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than ten (10) years, provided that such an extension of the contract term is effected prior to the current, contract Expiration Date by means of a contract amendment. If a term extension necessitates additional funding beyond that which was included in the original Contract, an increase of the State's maximum liability will also be effected through contract amendment, and shall be based upon payment rates provided in the original Contract.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed **Written Dollar Amount (\$Number)**. The payment rates in section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

- C.2. Compensation Firm. The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.
- C.3. Payment Methodology. The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in section C.1.
- a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in section A.
 - b. Mainframe Services Transition and Migration. The Contractor shall be compensated for Mainframe Services Transition and Migration tasks requested and performed pursuant to Contract Section A.2, based upon the payment rates detailed below:

Service Description	Amount (per compensable increment)
Mainframe Services Transition and Migration Cost – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date	\$ Number per Month [THE TOTAL AMOUNT BID FOR "MAINFRAME SERVICES TRANSITION AND MIGRATION COST" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
Mainframe Services Transition and Migration Additional Cost for Payback Over Five (5) Years – paid for sixty (60) consecutive	\$ Number per Month [THE TOTAL AMOUNT BID FOR

months, beginning in the month of the Service Start Date	"MAINFRAME SERVICES TRANSITION AND MIGRATION ADDITIONAL COST FOR PAYBACK OVER FIVE (5) YEARS" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
OIR Transitioned Employees Cost – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date	\$ Number per Month [THE TOTAL AMOUNT BID FOR "OIR TRANSITIONED EMPLOYEES COST" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
OIR Transitioned Employees Additional Cost for Payback Over Five (5) Years – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date	\$ Number per Month [THE TOTAL AMOUNT BID FOR "OIR TRANSITIONED EMPLOYEES COST ADDITIONAL COST FOR PAYBACK OVER FIVE (5) YEARS" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
DHS Production Control Transition and Migration Cost – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date [NOTE: DHS has requested the option to decide after Contract award, but prior to Contract approval, whether or not DHS wants to have the Contractor perform Production Control tasks. DHS will make this decision prior to Contract approval and this cost row will be kept or deleted based on the decision.]	\$ Number per Month [THE TOTAL AMOUNT BID FOR "OPTIONAL DHS PRODUCTION CONTROL TRANSITION AND MIGRATION COST" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
DHS Production Control Transition and Migration Additional Cost for Payback Over Five (5) Years – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date [NOTE: DHS has requested the option to decide after Contract award, but prior to Contract approval, whether or not DHS wants to have the Contractor perform Production Control tasks. DHS will make this decision prior to Contract approval and this cost row will be kept or deleted based on the decision.]	\$ Number per Month [THE TOTAL AMOUNT BID FOR "OPTIONAL DHS PRODUCTION CONTROL TRANSITION AND MIGRATION ADDITIONAL COST FOR PAYBACK OVER FIVE (5) YEARS" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
DHS Transitioned Employees Cost – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date [NOTE: DHS has requested the option to decide after Contract award, but prior to Contract approval, whether or not DHS wants to have the Contractor perform Production Control tasks. DHS will make this decision prior to Contract approval and this cost row will be kept or deleted based on the decision.]	\$ Number per Month [THE TOTAL AMOUNT BID FOR "OPTIONAL DHS TRANSITIONED EMPLOYEES COST" WILL BE DIVIDED BY SIXTY (60) AND TRANSCRIBED HERE.]
DHS Transitioned Employees Additional Cost for Payback Over Five (5) Years – paid for sixty (60) consecutive months, beginning in the month of the Service Start Date [NOTE: DHS has requested the option to decide after Contract award, but prior to Contract approval, whether or not DHS wants	\$ Number per Month [THE TOTAL AMOUNT BID FOR "OPTIONAL DHS TRANSITIONED EMPLOYEES COST ADDITIONAL COST FOR PAYBACK OVER FIVE (5) YEARS" WILL BE DIVIDED BY

to have the Contractor perform Production Control tasks. DHS will make this decision prior to Contract approval and this cost row will be kept or deleted based on the decision.]

SIXTY (60) AND TRANSCRIBED HERE.]

- c. On-Going Mainframe Services. The Contractor shall be compensated for On-Going Mainframe Services, pursuant to Contract Section A.3, based upon the payment rates detailed below:

- (1) For service performed from Contract Year 1, through Contract Year 7, the following rates shall apply:

Service Description	Amount (per compensable increment)						
	Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Contract Year 6	Contract Year 7
Mainframe Processing (Cont. Section A.3)	\$ Number per CPU Minute	\$ Number per CPU Minute	\$ Number per CPU Minute	\$ Number per CPU Minute	\$ Number per CPU Minute	\$ Number per CPU Minute	\$ Number per CPU Minute
Mainframe Input/Output (Cont. Section A.3)	\$ Number per 1,000 I/Os	\$ Number per 1,000 I/Os	\$ Number per 1,000 I/Os	\$ Number per 1,000 I/Os	\$ Number per 1,000 I/Os	\$ Number per 1,000 I/Os	\$ Number per 1,000 I/Os
Tape Mount (Cont. Section A.3.e.i)	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month
Tape Media Storage (Cont. Section A.3.e.ii) <i>Note: refers to storage of virtual and physical tape media at a Contractor maintained location.</i>	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month	\$ Number per Tape (volume serial) per Month
Disk Storage (Cont. Section A.3.f)	\$ Number per MB per Day	\$ Number per MB per Day	\$ Number per MB per Day	\$ Number per MB per Day	\$ Number per MB per Day	\$ Number per MB per Day	\$ Number per MB per Day
Tape Cartridge Purchase (Cont. Section A.3.e.iii)	\$ Number per Tape	\$ Number per Tape	\$ Number per Tape	\$ Number per Tape	\$ Number per Tape	\$ Number per Tape	\$ Number per Tape

- (2) The Contractor shall use system log records, including Systems Management Facility (SMF) and Information Management System (IMS) log records, to determine charges for the items in the table above.

- d. Professional Services Hourly Rates. The Contractor shall be compensated for changes requested and performed pursuant to Contract Section A.4, without a formal amendment of this contract based upon the payment rates detailed in the schedule below and as agreed pursuant to said Section A.4, PROVIDED THAT compensation to the Contractor

for such “change order” work shall not exceed **NUMBER NOT TO EXCEED SEVEN PERCENT (Number %)** of the total cost, over the Contract Term, for On-Going Mainframe Services, the unit costs for which are detailed in Section C.3.c., above. If, at any point during the Contract period, the State determines that the cost of necessary Professional Services work would exceed said maximum amount, the State may amend this Contract to address the need.

Service Description	Amount (per compensable increment)						
	Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Contract Year 6	Contract Year 7
Project Manager (Cont. Section A.4.f.i)	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour
Advanced Mainframe Programmer Analyst (Cont. Section A.4.f.ii)	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour
Data Administrator/Database Administrator (Cont. Section A.4.f.iii)	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour
Information Systems Analyst (Cont. Section A.4.f.iv)	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour
Mainframe Computer Operator (Cont. Section A.4.f.v)	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour	\$ Number per Hour
NOTE: The Contractor shall not be compensated for travel time to the primary location of service provision.							

- e. With regard to the yearly rates in the tables in Sections C.3.c and C.3.d, above, for service performed during years 8 through 10 of the Contract, the Contractor shall be compensated based upon the previous year's payment rates in Contract Sections C.3.c and C.3.d [the “Base Payment Year”], but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, All Items expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics three (3) months prior to the end of the Base Payment Year and that figure published in the same month, 12-months prior, up to a maximum of three and one-half percent (3.5%).

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in section C.3, above, and present said invoices no more often than monthly, with all necessary supporting documentation, to:

Tricia Kitchens, Chief Technology Officer
Data Center North
901 5th Ave N
Nashville, TN 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations shall be extended and totaled correctly).

(1) Invoice Number (assigned by the Contractor)

- (2) Invoice Date
- (3) Contract Number (assigned by the State)
- (4) Customer Account Name: Department of Finance and Administration
- (5) Customer Account Number (assigned by the Contractor to the above-referenced Customer)
- (6) Contractor Name
- (7) Contractor Tennessee Edison Registration ID Number Referenced in Preamble of this Contract
- (8) Contractor Contact for Invoice Questions (name, phone, and/or fax)
- (9) Contractor Remittance Address
- (10) Description of Delivered Service
- (11) Complete Itemization of Charges, which shall detail the following:
 - i. Service or Milestone Description (including name & title as applicable) of each service invoiced
 - ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced
 - iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced
 - iv. Amount Due by Service
 - v. Total Amount Due for the invoice period

b. The Contractor understands and agrees that an invoice under this Contract shall:

- (1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
- (2) only be submitted for completed service and shall not include any charge for future work;
- (3) not include sales tax or shipping charges; and
- (4) initiate the timeframe for payment (and any discounts) only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.

C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Contractor. With regard to Service Level Credits related to Service Level Defaults, the Contractor shall apply such Credits to the next invoice submitted to the State following the notice of the Service Level Default.

C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following documentation properly completed.

- a. The Contractor shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once said form is received by the State, all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH).

- b. The Contractor shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form shall agree with the Contractor's Federal Employer Identification Number or Tennessee Edison Registration ID referenced in this Contract.

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to terminate the Contract and withhold payments in excess of fair compensation for completed services.
 - a. The State will provide notification of termination for cause in writing. This notice will: (1) specify in reasonable detail the nature of the breach; (2) provide the Contractor with an opportunity to cure, which shall be requested in writing no less than 10 days from the date of the Termination Notice; and (3) shall specify the effective date of termination in the event the Contractor fails to correct the breach. The Contractor shall present the State with a written request detailing the efforts it will take to resolve the problem and the time period for such resolution. This opportunity to "cure" shall not apply to circumstances in which the Contractor intentionally withholds its services or otherwise refuses to perform. The State will not consider a request to cure contract performance where there have been repeated problems with respect to identical or similar issues, or if a cure period would cause a delay that would impair the effectiveness of State operations. In circumstances where an opportunity to cure is not available, termination will be effective immediately.
 - b. Notwithstanding the foregoing, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages,

compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee.

- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Prohibition of Illegal Immigrants. The requirements of *Tennessee Code Annotated*, Section 12-4-124, *et seq.*, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of *Tennessee Code Annotated*, Section 12-4-124, *et seq.* for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

- D.9. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.10. Prevailing Wage Rates. All contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401, *et seq.*
- D.11. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.13. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.14. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

- D.15. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.16. Force Majeure.
- a. Force Majeure Event. The obligations of the Parties to this Contract are subject to prevention by causes beyond the Parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause (a "Force Majeure Event"). If and to the extent that a Party's performance is prevented or delayed by such events beyond such Party's reasonable control (other than acts or omissions of Contractor Agents or Contractor Affiliates), then the affected performance will be excused for so long as the Force Majeure Event continues to prevent or delay performance and the Party continues efforts to recommence performance to the extent possible without delay, including through the use of alternate sources and workaround plans. The affected Party will promptly notify the other Party, describing the Force Majeure Event in reasonable detail. Force Majeure Events do not excuse any Disaster Recovery Services and Business Continuity Services obligations under the Disaster Recovery Plan.
 - b. Alternate Source. If any Force Majeure Event or Disaster delays performance of the Services for more than five (5) days, the State may procure such Services from an alternate source and Contractor will reimburse the State for amounts paid to the alternate source to the extent

exceeding the Fees for such Services. If the Force Majeure Event or Disaster delays performance of the Services for more than twenty (20) additional days, the State may terminate this Contract as of a date specified by the State in a termination notice to Contractor.

- c. No Payment for Unperformed Services. The State is not required to pay for those Services that are not performed because of excused performance in a Force Majeure Event.
 - d. Allocation of Resources. Whenever a Force Majeure Event or a Disaster causes Contractor to allocate limited resources among Contractor's customers, Contractor will not give other customers priority over the State or redeploy or reassign any Key Contractor Personnel (except as permitted under this Contract) to another Contractor customer.
- D.17. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.18. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.19. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.20. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.21. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Tricia Kitchens, Chief Technology Officer
 Data Center North
 901 5th Ave N
 Nashville, TN 37243
tricia.kitchens@tn.gov
 Telephone # (615) 741-7122

FAX # (615) 532-0471

The Contractor:

Contractor Contact Name & Title

Contractor Name

Address

Email Address

Telephone # Number

FAX # Number

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.
- E.5. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.6. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.
- a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this Contract.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA.
 - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA. This provision shall not apply if information received by the State under this Contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.
- E.7. State Ownership of Work Products. The State shall have ownership, right, title, and interest, including ownership of copyright, in all work products, including computer source code, created, designed, developed, derived, documented, installed, or delivered under this Contract subject to the next subsection and full and final payment for each "Work Product." The State shall have royalty-free and unlimited rights and license to use, disclose, reproduce, publish, distribute, modify, maintain, or create derivative works from, for any purpose whatsoever, all said Work Products.
- a. To the extent that the Contractor uses any of its pre-existing, proprietary or independently developed tools, materials or information ("Contractor Materials"), the Contractor shall retain all right, title and interest in and to such Contractor Materials, and the State shall acquire no right, title or interest in or to such Contractor Materials EXCEPT the Contractor grants to the State an unlimited, non-transferable license to use, copy and distribute internally, solely for the State's internal purposes, any Contractor Materials reasonably associated with any Work Product provided under the Contract.
 - b. The Contractor shall furnish such information and data as the State may request, including but not limited to computer code, that is applicable, essential, fundamental, or intrinsic to any Work Product and Contractor Materials reasonably associated with any Work Product, in accordance with this Contract and applicable state law.
 - c. Nothing in this Contract shall prohibit the Contractor's use for its own purposes of the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of providing the services requested under this Contract.
 - d. Nothing in the Contract shall prohibit the Contractor from developing for itself, or for others, materials which are similar to and/or competitive with those that are produced under this Contract.
- E.8. Competitive Procurements. This Contract may involve reimbursement of the cost of goods, materials, supplies, equipment, or contracted services. Such procurements shall be made on a competitive basis, where practical. The Contractor shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Contract. In each instance where it is determined that use of a competitive procurement method was not practical, said

documentation shall include a written justification, approved by the Commissioner of the Department of Finance and Administration, for such decision and non-competitive procurement.

- E.9. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.
- E.10. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below.
- a. this Contract document with any attachments or exhibits (excluding the items listed at subsections b. through g., below);
 - b. any SOWs agreed to by the Parties to the Contract;
 - c. any Project Documents;
 - d. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
 - e. the State solicitation, as may be amended, requesting proposals in competition for this Contract;
 - f. any technical specifications provided to Proposers during the procurement process to award this Contract;
 - g. the Contractor's proposal seeking this Contract.
- E.11. Prohibited Advertising. The Contractor shall not refer to this Contract or the Contractor's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the Contractor or the Contractor's services are endorsed. It is expressly understood and agreed that the obligations set forth in this section shall survive the termination of this Contract in perpetuity.
- E.12. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP-31701-03071 (Attachment 6.2, Section B.15) and resulting in this Contract.
- The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the state of Tennessee Governor's Office of Diversity Business Enterprise in form and substance as required by said office.
- E.13. Limitation of Liability. The parties agree that the Contractor's liability under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in section C.1. and as may be amended, PROVIDED THAT in no event shall this section limit the liability of the Contractor for intentional torts, criminal acts, or fraudulent conduct.
- E.14. Copyrights and Patents. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Contractor's performance of this Contract. In any such action brought against the State, the Contractor shall satisfy and indemnify the State for the

amount of any final judgment for infringement. The Contractor further agrees it shall be liable for the reasonable fees of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State. The State shall give the Contractor written notice of any such claim or suit and full right and opportunity to conduct the Contractor's own defense thereof.

- E.15. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

- E.16. Breach. A party shall be deemed to have breached the Contract if any of the following occurs:

- failure to perform in accordance with any term or provision of the Contract;
- partial performance of any term or provision of the Contract;
- any act prohibited or restricted by the Contract, or
- violation of any warranty.

For purposes of this Contract, these items shall hereinafter be referred to as a "Breach."

- a. Contractor Breach— The State shall notify Contractor in writing of a Breach.

- (1) In event of a Breach by Contractor, the State shall have available the remedy of Actual Damages and any other remedy available at law or equity.
- (2) Liquidated Damages— In the event of a Breach, the State may assess Liquidated Damages. The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for a Breach by Contractor as said amounts are likely to be uncertain and not easily proven. Contractor hereby represents and covenants it has carefully reviewed the Liquidated Damages contained in above referenced, Contract Attachment M and agree that said amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of Breach, and are a reasonable estimate of the damages that would occur from a Breach. It is hereby agreed between the parties that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any injury or damage sustained by a third party. The Contractor agrees that the liquidated damage amount is in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or other section of this Contract.

The State may continue to withhold the Liquidated Damages or a portion thereof until the Contractor cures the Breach, the State exercises its option to declare a Partial Default, or the State terminates the Contract. The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other

remedy available under this Contract or at law or equity; provided, however, Contractor shall receive a credit for said Liquidated Damages previously withheld except in the event of a Partial Default.

- (3) **Partial Default**— In the event of a Breach, the State may declare a Partial Default. In which case, the State shall provide the Contractor written notice of: (1) the date which Contractor shall terminate providing the service associated with the Breach; and (2) the date the State will begin to provide the service associated with the Breach. Notwithstanding the foregoing, the State may revise the time periods contained in the notice written to the Contractor.

In the event the State declares a Partial Default, the State may withhold, together with any other damages associated with the Breach, from the amounts due the Contractor the greater of: (1) amounts which would be paid the Contractor to provide the defaulted service; or (2) the cost to the State of providing the defaulted service, whether said service is provided by the State or a third party. To determine the amount the Contractor is being paid for any particular service, the Department shall be entitled to receive within five (5) days any requested material from Contractor. The State shall make the final and binding determination of said amount.

The State may assess Liquidated Damages against the Contractor for any failure to perform which ultimately results in a Partial Default with said Liquidated Damages to cease when said Partial Default is effective. Upon Partial Default, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount. Contractor agrees to cooperate fully with the State in the event a Partial Default is taken.

- (4) **Contract Termination**— In the event of a Breach, the State may terminate the Contract immediately or in stages. The Contractor shall be notified of the termination in writing by the State. Said notice shall hereinafter be referred to as Termination Notice. The Termination Notice may specify either that the termination is to be effective immediately, on a date certain in the future, or that the Contractor shall cease operations under this Contract in stages. In the event of a termination, the State may withhold any amounts which may be due Contractor without waiver of any other remedy or damages available to the State at law or at equity. The Contractor shall be liable to the State for any and all damages incurred by the State and any and all expenses incurred by the State which exceed the amount the State would have paid Contractor under this Contract. Contractor agrees to cooperate with the State in the event of a Contract Termination or Partial Takeover.

- b. **State Breach**— In the event of a Breach of Contract by the State, the Contractor shall notify the State in writing within 30 days of any Breach of Contract by the State. Said notice shall contain a description of the Breach. Failure by the Contractor to provide said written notice shall operate as an absolute waiver by the Contractor of the State's Breach. In no event shall any Breach on the part of the State excuse the Contractor from full performance under this Contract. In the event of Breach by the State, the Contractor may avail itself of any remedy at law in the forum with appropriate jurisdiction; provided, however, failure by the Contractor to give the State written notice and opportunity to cure as described herein operates as a waiver of the State's Breach. Failure by the Contractor to file a claim before the appropriate forum in Tennessee with jurisdiction to hear such claim within one (1) year of the written notice of Breach shall operate as a waiver of said claim in its entirety. It is agreed by the parties this provision establishes a contractual period of limitations for any claim brought by the Contractor.

E.17. Partial Takeover.

- a. The State may, at its convenience and without cause, exercise a partial takeover of any service which the Contractor is obligated to perform under this Contract, including but not limited to any Service which is the subject of a subcontract between Contractor and a third party, although the Contractor is not in breach (hereinafter referred to as "Partial Takeover"). Said Partial Takeover shall not be deemed a Breach of Contract by the State. Contractor shall be given at least 30 days prior written notice of said Partial Takeover with said notice to specify the area(s) of service the State will assume and the date of said assumption. Any Partial Takeover by the State shall not alter in any way Contractor's other obligations under this Contract. The State may withhold from amounts due the Contractor the amount the Contractor would have been paid to deliver the service as determined by the State. The amounts shall be withheld effective as of the date the State assumes the service. Upon Partial Takeover, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
 - b. The State retains the right to perform itself, or retain third parties to perform, any of the Services. To the extent the State performs any of the Services itself, or retains third parties to do so, the Contractor will cooperate with the State or such third parties at no additional charge. Such cooperation includes (i) making any facilities being used by Contractor to provide the Services available (as necessary or desired for the State or a third party authorized by the State to perform its work); (ii) making the Contractor equipment/hardware and Contractor Software available; (iii) assisting the State in obtaining any required third-party consents; and (iv) providing such information regarding the operating environment, System constraints and other operating parameters used to provide the Services as is reasonably necessary for the State or a third party authorized by the State to perform the Services.
- E.18. Disclosure of Personal Identity Information. The Contractor shall report to the State any instances of unauthorized disclosure of confidential information that comes to the attention of the Contractor. Any such report shall be made by the Contractor within twenty-four (24) hours after the instance has come to the attention of the Contractor. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals that are deemed to be part of a potential disclosure. The Contractor shall bear the cost of notification to individuals having personal identity information involved in a potential disclosure event, including individual letters and/or public notice.
- E.19. Insurance. The Contractor shall carry adequate liability and other appropriate forms of insurance.
- a. The Contractor shall maintain, at minimum, the following insurance coverage:
 - (1) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater.
 - (2) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.
 - (3) Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence.
 - b. At any time State may require the Contractor to provide a valid Certificate of Insurance detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.

- E.20. Cooperation with Third Parties. The performance of Services may involve work with third-party companies, consultants, advisors and contractors of the State. If so requested by the State, the Contractor will work diligently with such third parties as specified by the State in writing for the purposes of the fulfillment of the Services. For the avoidance of doubt, such companies, consultants, advisors or contractors of the State are not authorized to bind the State in any way or enter into any commitments on behalf of the State. The Contractor will treat State Confidential Information received from such third-party companies, consultants, advisors and contractors in connection with the provision of Services as the State Confidential Information subject to the terms of this Contract.
- E.21. Changes In Law. Contractor and the State will work together to identify the effect of changes in Laws on the provision and receipt of the Services and will promptly discuss the changes to the Services, if any, required to comply with all Laws.
- a. If a change to the Services is required for Contractor to comply with a change in Contractor Laws, the change will be implemented at Contractor's sole expense and will not impact the Fees paid by the State under this Contract. "Contractor Law" means a law applicable to the Contractor that is not applicable to the State.
 - b. If a change to the Services is required for Contractor to comply with a change in any Laws other than Contractor Laws, and Contractor can reasonably demonstrate that the change will materially increase Contractor's costs, the State will by written notice to Contractor either:
 - i. direct Contractor to implement the required change to the Services, in which case, to the extent that the State agrees that additional fees are applicable, the State will (1) issue an SOW for the change and/or (2) amend the Contract to pay any additional Fees that may be determined to be payable under the Change Control Procedure, or
 - ii. terminate this Contract or the portion of the Services affected by the change in Law.
- E.22. Governmental Approvals and Consents. The Contractor will, at its own expense, (a) obtain and maintain all governmental approvals required for the Contractor to provide the Services, and (b) obtain consents from the State's Third-Party Vendors as required for the Contractor to provide the Services. The State will assist the Contractor in obtaining such required approvals and consents.

IN WITNESS WHEREOF,

CONTRACTOR LEGAL ENTITY NAME:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF FINANCE AND ADMINISTRATION:

MARK A. EMKES, COMMISSIONER

DATE

ATTACHMENT A**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

ATTACHMENT B**DEFINITIONS**

When used in this Contract with initial capital letters, the terms listed in this Attachment B shall have the meanings set forth herein. In addition, common acronyms are listed in RFP Attachment 6.7, Glossary.

Term	Definition
(OSD) Office for Information Resources Service Desk	The entity within the Office for Information Resources that provides IT technology help-desk support for State Agencies.
"n"	Means the current version or release level of any software product.
"n-1"	Means a method of designating program level or program currency. For example, n-1 means that the program or software in place is one (1) version or release level less than the now-current version or release of that product.
Acceptance	Means the determination, in State's reasonable discretion, that software, equipment, Systems, and/or other contract deliverables are in Compliance in all material respects with the specifications, in accordance with the Contract, SOW, or other criteria agreed to by the Parties.
Actual Uptime	Means the measurement of time that a particular System, application, software, equipment/hardware, Network, or any other part of the Services is available and working properly during the Measurement Window, and such measurement will be calculated by subtracting Downtime from the Scheduled Uptime.
Affected Employees	State Employees and/or work positions, existing as of the Contract Start Date, whose roles and functions are being outsourced to the Contractor under the terms of the Contract.
Allocation of Pool Percentage	Means the portion of the respective Pool Percentage Available for Allocation that is specified for a Performance Category. The total of all Allocation of Pool Percentages shall not exceed the Pool Percentage Available for Allocation.
Architecture	Means the design, process, strategies, and specification of the overall structure, logical components, and the logical interrelationships of equipment and software, including System Software, a Network, or other reasonably related conception.
At-Risk Amount	Means, for any month during the Term, twelve percent (12%) of the Monthly Invoice Amount, which is the maximum amount that the Contractor will have at risk for Service Level Credits as set forth in Contract Attachment F.
Authorized User(s)	Means, unless otherwise indicated, officers, directors, employees, contractors, agents, customers, and vendors of State and any other person(s) designated by State to receive or use the Systems or Services provided by Contractor.
Availability Management	Means processes to ensure services (IT infrastructure and supporting organizations) are available when the Authorized User needs them.
Availability or Available	Means that the full functionality of a service Component is available for use by the Authorized Users and is not degraded in any material respect.
Base Charges	The cost amounts proposed for On-Going Mainframe Services in the Cost Proposal response to the RFP.
Batch	Means the daily or nightly process which takes pending transactions and performs the work associated with them.
Break/Fix	The term for a problem event that typically involves malfunctioning software, hardware, and/or connectivity and the repairs/Resolution associated therewith.

Business Continuity Services	Means the overall enterprise plans and specific activities of State and/or Contractor that are intended to enable continued business operations in the event of any unforeseen interruption (e.g., plans and activities to move a department to a new location in the event of a disruption).
Business Day	Means each day from Monday through Friday, excluding State holidays.
Cabling	Means the physical connection between equipment and a wall jack (i.e., the connections outside the wall), including physical cabling media, peripheral cabling used to interconnect electronic equipment, all terminating hardware and cross-connect fields, but not including conduits and pathways.
Call	Means a contact (including by telephone, voicemail, electronic mail, fax, automated tool or web request) to Contractor reporting a problem, requesting assistance or Services, or asking a question pertaining to the Services, as well as automated alerts and other problem and Service notifications communicated to Contractor.
Capacity Management	Means the responsibility for ensuring that the Capacity of the IT infrastructure matches the evolving demands of the business in a cost-effective and timely manner.
Change Management	Has the meaning given in Contract Section A.15.
Change Request	Means the process and any related forms required to request and authorize System Changes within the State's Remedy System.
Compliance and Comply	Means, with respect to materials, equipment, Systems and other deliverables and Milestones to be implemented, designed, developed, delivered, integrated, installed and/or tested by Contractor, in compliance in all material respects with their specifications, the Contract, and applicable operations requirements.
Component	Means a grouping of software functionally or a separate software object in the solution that has the ability to "stand alone" or "integrate with other Components" as required.
Confidential Information	Has the meaning given in Contract Section E.5.
Confidentiality	Means protection of the data against unauthorized access and use.
Configuration Item (CI)	Means a Component of an IT infrastructure - or an item, such as a request for change, associated with an infrastructure - that is (or is to be) under the control of Configuration Management. CIs may vary widely in complexity, size and type -from an entire system (including all hardware, software and documentation) to a single software module or a minor hardware Component.
Configuration Management	Means the process of identifying and defining Configuration Items in a system, recording and reporting the status of Configuration Items and Requests for Change, and verifying the completeness and correctness of the Configuration Items.
Configuration Management Database (CMDB)	Means a database that contains all relevant details of each CI and details of the important relationships between CIs.
Connectivity	Means the ability to access and exchange data, voice, and/or video electronic impulses between various Infrastructure Components and with external sources as approved by State and provided to Authorized Users.
Consent	Means consent, approval, authorization, clearance, exemption, waiver, or similar affirmation by any Person given in accordance with the Contract.
Contract End Date	The date on which the contract is terminated, either through the natural lapse of the defined Contract Term, or through an act of termination for convenience or cause. The natural end date is stated in Contract Section B.1.
Contract Start Date	The date on which the Contract begins, as stated in Contract Section B.1.

Contract Year	Means each twelve (12) month (or shorter) period commencing February 1, 2013 and each February 1 thereafter during the Term. If any Contract Year is less than twelve (12) months, the rights and obligations under this Contract that are calculated on a Contract Year basis will be proportionately adjusted for such shorter period. For the avoidance of doubt, the last Contract Year may be less than twelve (12) months.
Contractor	Has the meaning given in the preamble to the Contract.
Contractor Account Executive	The Contractor employee responsible for maintaining the Contractor's relationship with the State under the Contract.
Contractor Confidential Information	Information formally designated by a Contractor as having commercial value and therefore subject to confidentiality concern for the Contractor.
Contractor Data Center	Means the Data Center owned or leased by Contractor and used by Contractor to provide the Services.
Contractor Facilities	Means, individually and collectively, the facilities owned or leased by Contractor (or its Affiliates or Subcontractors) from which Contractor (or its Affiliates or Subcontractors) provides any Services.
Contractor Personnel	Means those employees, representatives, contractors, subcontractors, and agents of Contractor and its Subcontractors.
Contractor Software	Means the software (including System Software and applications) owned or exclusively licensed by Contractor that is not Third-Party Vendor software or State software and used by Contractor in providing the Services.
Contractor Support Group	The entity within the Contractor's organization that provides phone support and help desk services to assist the State and State Agencies in Resolving problems related to the Mainframe Services.
Critical Failure	Any failure of a Component to perform substantially in accordance with its specifications set forth in the Project Documents which either (i) prevents the relevant software Component(s) from providing substantially all of one or more of the material functions identified in the SOW, or (ii) prevents the proper operation of other material Components or functions of the hardware and software environment into which it is to be installed.
Critical Service Level	Means any Service Level designated as "critical" by State, and with respect to which State may become entitled to receive Service Level Credits as a result of Contractor's failure to satisfy the associated Service Level Standards.
Data Center	Means any controlled or consolidated location where equipment resides for the delivery of Services to State, including the State Data Center North, State Data Center South, and the Contractor Data Center(s). Data Centers generally include environmental controls (air conditioning, fire suppression, etc.), backup power supplies, Network connections, and high security.
Database Administrator (DBA)	Means an individual responsible for the design and management of databases and for the implementation of the database management system. DBA includes "logical" and "physical" database administrators.
Deliverables	Work products associated with contractually required tasks, which the Contractor submits to the State according to an agreed-upon schedule.
Demarcs	In the Network structure, the points that define the end of the telephone company's wiring and the beginning of the State's or Contractor's wiring.
Development or Development Environment	Means the Systems environment in which software and databases are initially designed and created. State may have more than one Development Environment.
Disaster	Means an event or series of events constituting a disaster under the terms of the Disaster Recovery Plan.

Disaster Recovery (DR) Services	Means the process of following specific advance arrangements and procedures in response to a Disaster, resumption of the critical business functions within a predetermined period of time, minimizing the amount of loss, and repairing or replacing the damaged facilities as soon as possible. The Disaster Recovery Services include support and coordination with the Business Continuity Services.
Downtime	Means the time that a particular System, application, software, equipment/hardware, Network or any other part of the Services is not Available during the Measurement Window.
Expiration Date	Means the ending date of the original Term or subsequent Term.
Fixed Price	A discrete amount to be charged for a given body of work, or work product, which amount cannot be increased or decreased, unless basic assumptions are revised with the consent of the Parties.
Incident	A period of time during which a service is not functioning the way it is supposed to. An Incident is also referred to as a "service disruption". Associated with a Remedy System Break/Fix Ticket.
Infrastructure	Means the entire portfolio of equipment/hardware, System Software, and Network Connectivity required for the integrated provision and operation of State IT Systems and applications.
In-Scope	Means those Services or resources that are the subject of Contractor's obligations under the Contract.
IT	Means information technology.
Key Contractor Personnel	Means the Contractor Personnel filling the positions designated in Section A.13 of the Contract as Key Contractor Personnel.
Key Measurements	Means those Service Levels for which no Service Level Credit is payable, and are described in Contract Attachment F (Service Level Agreements).
LAN (Local Area Network)	Means a local, high-speed Network, consisting of LAN equipment, software, transport systems, interconnect devices, Wiring, and Cabling used to create, connect, and transmit data, voice, and video signals to, within or among State's local-area network segments. LANs are typically confined within limited geographic areas (such as a single building or group of buildings) and offer relatively high data rates, usually above 10 /100 Mbps. LANs typically interconnect end-user PCs, local Servers, and printers and may connect with WANs.
Level 1 Support	Has the meaning given in Contract Section A.9.b.
Level 2 Support	Has the meaning given in Contract Section A.9.b.
Logical Security	Means controlling access to information, software, and data by utilizing System parameters and applications level security controls. Logical Security includes logical separation of processors and disk and segregation of reusable storage media.
Mainframe Application Environment	Means an Infrastructure-related environment in any LPAR, including, but not limited to, TSO, Roscoe, CICS, IMS, DB2, ViewDirect, and JES, required for the provision and operation of State IT systems and applications.
Mainframe Services	All activities necessary to support an efficient, fully functioning mainframe environment, including hardware, software, applications, and all associated support activities.
Mainframe Services Migration	Means the migration of Mainframe Services from the State Data Center North to the Contractor Data Center.
Mainframe Services Transition	Means the transition of Mainframe Services from State responsibility to Contractor responsibility.
Measurement Window	Means the time during, or frequency by, which a Service Level shall be measured. The Measurement Window will exclude approved scheduled maintenance.

Milestones	Agreed upon points in the Contract Term or SOW schedule that mark accomplishments toward the overall goal of the Contract or SOW.
Monthly Invoice Amount	Means the total amount paid by the State for On-Going Mainframe Services per month.
Network	Means collectively, WAN, LAN, and other communication or transport networks.
New Services	Means services requested by State or required by applicable Laws (i) that are materially different from the Services, (ii) that require materially different levels of effort or resources from Contractor to provide the Services, and (iii) which are not required for Contractor to meet the Service Levels. For the avoidance of doubt, New Services shall not include (a) increases in the volume of Services for which there is an associated Resource Baseline or charging methodology, or (b) the disaggregation of an existing service from a Functional Service Area.
Office for Information Resources (OIR) Service Desk (OSD)	Support organization within OIR that tracks and records progress toward the Resolution of IT-related service requests.
OIR Service Catalog	The list of IT-related services that OIR offers to State Agencies.
Online System	Computer system that is a part of, or is embedded in, a larger entity, such as a communications system, and that interacts in real or near-real time with the entity and its users.
Outage	Means a temporary suspension of operations which impacts a business unit's ability to perform their business function as required.
Party and Parties	Has the meaning given in the preamble to the Contract.
Personal Identity Information	Means that portion of State Data that is subject to any Privacy Laws. State Personal Data includes information which State discloses that consists of confidential personal information.
Primary Recovery Instructions	Instructions provided by the State to the Contractor to define the appropriate actions to take in the event that a job terminates abnormally.
Production or Production Environment	Means the System environment in which an organization's data processing is accomplished. This environment contains State's business data and has the highest level of security and availability of all environments (includes training and other Production like environments).
Professional Services	Services provided by IT professionals, which the State procures and pays for using hourly rates.
Professional Services Personnel	Means the Contractor or sub-contractor personnel providing Professional Services under Contract Section A.4.
Project	A discrete body of work associated with a particular requirement or requirements.
Project Documents	The paperwork associated with and describing the Project and its desired outcome.
Project Management Professional	Industry recognized certification for project managers, conferred by the Project Management Institute (PMI).
Proposer	A business entity that has submitted, or is considering submitting, a written offer to provide the services described in the State's Request for Proposal.
Provisioning	The activities associated with managing the user access aspects of the mainframe environment. Associated with a Remedy System Work Order Ticket.
Quality Assurance	The actions, planned and performed, to provide confidence that all processes, Systems, equipment/hardware, software, and components that influence the quality of the Services are working as expected individually and collectively.
Resolution Time	The amount of time between the time a Call is received and the time such Call is Resolved.

Resolve or Resolution	The restoration of full service or the completion of the service request that results in the Services conforming to and performing in accordance with this Contract in a manner acceptable to State or the applicable Authorized User in their reasonable discretion. Resolution may include the restoration of full service by workaround or other alternative means until a permanent fix that prevents any further Incidents is implemented.
Response Time	Has the meaning given in Contractor Attachment F, Section 8.1.10.
Retained Employees	Means those Affected Employees who will retain their employment with State.
Retention	The amount of compensation withheld at a given payment point, to be paid at a future time, when the success of one or more elements of the Contract is clearly determined.
Root Cause Analysis	Means the formal process, specified in the Primary Recovery Instructions, to be used by Contractor to diagnose the underlying cause of problems at the lowest reasonable level so that effective corrective action can be taken.
Scheduled Downtime	Means a period in which Mainframe Services, or a sub-set thereof, is not required to be Available due to scheduled time required to perform System maintenance (for example, preventive maintenance, System upgrades, etc.), provided that such period has been mutually agreed between the Parties and is scheduled so as to minimize the impact to State's business. The Contractor shall maintain Availability during such periods to the extent reasonably practicable.
Scheduled Uptime	Means that period of time (days of the week and hours per day) during which a particular System, application, software, equipment/hardware, Network, or any other part of the Services is expected to be available during the Measurement Window.
Server	Means any computer that provides shared processing or resources (e.g., application processing, database, mail, proxy, firewalls, backup capabilities, print, and fax services) to Authorized Users or other computers over the Network. A Server includes associated peripherals (e.g., local storage devices, attachments to centralized storage, monitor, keyboard, pointing device, tape drives, and external disk arrays) and is identified by a unique manufacturer's serial number.
Service Level	Means the minimum level of performance set forth in Contract Attachment F (Service Levels & Service Credits) with respect to each Critical Service Level and Key Measurement.
Service Level Agreement (SLA)	The agreement between the Parties with regard to the requirements for particular Service Levels.
Service Level Credit Allocation Percentage	The percentage of the Allocation of Pool Percentage allocated to a Critical Service Level within a Performance Category.
Service Level Credits	Means the monetary amounts that the Contractor shall be obligated to pay to the State (or apply against the Monthly Invoice Amount) in the event of Service Level Defaults.
Service Level Defaults	Failure to comply with an SLA minimum requirement.
Service Levels	Means, individually and collectively, the quantitative performance standards for the Services set forth in Contract Attachment F.
Service Start Date	The date the Contractor becomes fully accountable for Mainframe Services running in the State's Data Center environment.
Services	The collective term for all services described in Contract Section A, Scope of Services.
Site(s)	Means State, Contractor, and other State-contracted locations where the Services will be performed or delivered and as may change and be updated during the Term.
State	Has the meaning given in the preamble to the Contract.

State Data	Means any data or information of or regarding State that is provided to or obtained by Contractor in connection with the negotiation and execution of the Contract or the performance of Contractor's obligations under the Contract, including data and information with respect to the constituency, customer, operations, facilities, products, rates, regulatory compliance, competitors, assets, expenditures, mergers, acquisitions, divestitures, billings, collections, revenues and finances of State. State Data also means any data or information (i) created, generated, collected or processed by Contractor in the performance of its obligations under the Contract, including data processing input and output, service level measurements, asset information, Reports, third-party service and product agreements, contract charges, and retained expense and Pass-Through Expenses, or (ii) that resides in or is accessed through software, equipment/hardware or Systems provided, operated, supported, or used by Contractor in connection with the Services, as well as information derived from this data and information, but excluding the following information to the extent not required to be provided or otherwise made available to State under this Contract, including with in connection with State's rights related to Benchmarking, Subcontractors, auditing, Reports, or Termination Assistance Services: (A) financial/accounting information (including costs, expenditures, billings collections, revenues and finances) of Contractor, its Affiliates or Subcontractors; (B) information created by Contractor to measure the productivity and efficiency of the Services and/or to improve the processes and procedures used by in the performance of the Services; (C) human resources and personnel information of Contractor, its Affiliates or Subcontractors; and (iv) information with respect to Third-Party Contracts or licenses of Contractor, its Affiliates or Subcontractors and used in the performance of the Services. Data or information constituting State Data shall not constitute Contractor Confidential Information.
State Data Center(s)	Means State-owned Data Center(s) used by Contractor to provide the Services and at or to which Contractor provides Services.
State Data Center North	Means the State Data Center located in Nashville, TN.
State Data Center South	Means the State Data Center located in Smyrna, TN.
State Furnished Property	Has the meaning given in Contract Section E.9.
State Personnel	Means the employees, agents, contractors, or representatives of State assigned to perform services in coordination and/or conjunction with Contractor Personnel on an SOW.
State Technical Architecture	The documentation of the State's current standards for its hardware, software, and approach to System security.
Statement of Work (SOW)	Has the meaning given in Contract Section A.5.
Statement of Work (SOW) Effective Date	The date on which the tasks associated with a Statement of Work may begin.
Support Center	Means the Contractor's facilities, associated technologies, and fully trained staff (Contractor Support Group) who respond to Calls, coordinate all Incident, problem, and request management activities, and act as a central point of contact for Authorized Users in regard to the Services.

System	Means an interconnected grouping of manual or electronic processes, including equipment/hardware, software and associated attachments, features, accessories, peripherals and cabling, and all additions, modifications, substitutions, Upgrades or enhancements to such System. Systems shall include all Systems in use or required to be used as of the Service Start Date, all additions, modifications, substitutions, Upgrades, or enhancements to such Systems and all Systems installed or developed by or for State or Contractor during the Term.
System Changes	Modifications to the hardware/software associated with the provision of Mainframe Services. Associated with the Remedy System Change Request Ticket.
System Software	System software refers to the files and programs required for the computer's operating system. System files include, but are not limited to, libraries of functions, System services, drivers for printers and other hardware, System preferences, and other configuration files; Software examples include, but are not limited to, assemblers, compilers, file management tools, System utilities, and debuggers.
Term	Means the Initial Term and the Renewal Terms, if any, including any period during which Termination Assistance Services are provided by Contractor under the Contract.
Termination Assistance Services	Means (i) the services (including the terminated, insourced, resourced or expired Services, the services described in the Contract to the extent State requests such Services during a Termination Assistance Services period; (ii) Contractor's cooperation with State and their designee(s) in the orderly transfer of the Services (or replacement or supplemental services) to State and/or their designee(s); and (iii) any New Services requested by State in order to facilitate the transfer of the Services (or replacement or supplemental services) to State and/or their designee(s).
Third Party	Means, whether or not capitalized, a legal entity, company, or person(s) that is not a Party to the Contract, and is not an Affiliate of a Party.
Third-Party Contract(s)	Means all agreements between third parties and State or Contractor that have been or shall be used to provide the Services.
Third-Party Vendor(s)	Means a Third Party that provides products or services to any Party that is related to, or is in support of, the Services. Third-Party Vendors do not include Subcontractors.
Ticket	The information and activity record associated with a problem event that is tracked in the State's Remedy System.
Upgrade	Means updates, patch installations, modifications, renovations, refreshes, enhancements, additions, substitutions and/or new versions or releases of software or equipment/hardware. For purposes hereof, a workaround or fix to software or equipment/hardware also constitutes an Upgrade.
WAN (or Wide Area Network)	Means a long haul, high-speed backbone transmission Network, consisting of WAN equipment, software, transport systems, interconnect devices, and Cabling that, and other services as they become available that are used to create, connect, and transmit data, voice and video signals to within, between or among: (i) LANs, and (ii) other locations that do business with IH and for which State is responsible for allowing Connectivity.
Wiring	Means the physical wire connection within walls, between floors, and between buildings.
Work Order	A work order is the system that OIR uses to provision services that come through OIR's Service Catalog.

ATTACHMENT C**MAINFRAME SERVICES – RESPONSIBILIY MATRIX**

Yellow highlighted rows are Service Management tasks with shared responsibilities. For additional details on shared responsibilities, see Contract Attachment D, Mainframe Services – Shared/Agency Responsibility Matrix.

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
Service Requirements				
1 Operations				
1.1	Assume responsibility for providing operations services for the mainframe environment. (Tape handling, system commands, file maintenance)	X		
1.2	Assume responsibility for all master and subordinate console functions	X		
1.3	Monitor all processing (Batch and Online System for bottlenecks, performance, and capacity)	X		
1.4	Monitor the performance of online interactive traffic and take appropriate action to Resolve Online System-related Incidents and / or problems, including escalating (as appropriate) the Incident and / or problem to the proper Contractor Support Group	X		
1.5	Monitor the transmission of files between the mainframe environment and any other parties as designated by OIR and State Agency	X		
1.6	Provide operational support for data transmission (send / receive), consistent with OIR standards; in the absence of OIR standards, such services will be provided consistent with applicable commercial standards	X		
1.7	Manage, maintain, monitor, and control Online System and Batch process, both scheduled and unscheduled (including on-request processing)	X		
1.8	Complete OIR- and State Agency-defined Batch processing and backups and restores in the correct sequence and within the time periods designated by OIR	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
1.9	Schedule Batch jobs within OIR- and State Agency-defined windows to achieve maximum performance and ensure required Batch completion times are met	X		
1.10	Provide for 7X24X365 automated scheduling of Batch work and processes including backups	X		
1.11	Develop, maintain, and utilize an emergency contact list and escalation procedures to Resolve abnormally ended jobs	X		
1.12	Resolve abnormally ended jobs caused by conditions external to production programs	X		
1.13	Repair abnormally ended jobs from Primary Recovery Instructions when possible and perform job restarts in accordance with OIR and State Agency instructions	X		
1.14	Repair abnormally ended jobs when Primary Recovery Instructions are not available or when after followed, Primary Recovery Instructions fail to repair abnormally ended jobs	X		X
1.15	Check job queues and print queues, and change job priorities as required / requested	X	X	
1.16	Coordinate or take printers in and out of service, and start, spool and drain printers as required / requested	X	X	
1.17	Define, create, and control all automated operation functions, including but not limited to routine and complex functions using software and programming tools available (device allocation management, storage resources, etc...)	X		
1.18	On an on-going basis, enhance processing capabilities and efficiencies through system tuning and other run-time improvements under OIR approval	X		
1.19	Perform regular monitoring of utilization needs, gaps, and efficiencies, and report regularly on tuning initiatives	X		
1.20	Perform proactive failure trend analysis	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
1.21	Produce reports to highlight and trend production incidents and problems, establish predetermined action and escalation procedures when Batch window incidents and problems are encountered	X		
1.22	Notify OIR and affected State Agencies in accordance with provided notification procedures in the event that applications do not execute properly	X		
1.23	Perform periodic and emergency System maintenance in accordance with requirements and procedures established to minimize the impact to OIR's and State Agencies' businesses	X		
1.24	Perform computer shutdowns and restarts, as required, and execute customary utility functions (non-agency file maintenance)	X		
1.25	Maintain, administer, and provide necessary tools and processes for all System management (programs, software, firmware, etc...), to the extent available in the OIR-selected tool suite or as required to be delivered by the Contractor	X		
1.26	Maintain and update the operational documentation for all operations procedures and services, including maintaining accurate information, provide information on all Configuration Items (CIs) to be placed in a Contractor-supplied Configuration Management System (CMS) / Configuration Management Database (CMDB)	X		
1.27	Provide feedback and gain approval from OIR regarding the impact of potential Architecture and design changes	X		
1.28	Identify opportunities for OIR and/or State Agencies to reduce equipment/hardware and software costs and/or improve System performance	X		
1.29	Analyze performance metrics and respond proactively to potential problem areas	X		
1.30	Run or terminate utilities depending upon the impact to State Agencies and only with OIR approval	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPONSIBILITY	AGENCY RESPONSIBILITY
1.31	Proactively monitor and report to OIR on resource shortages, and report utilization statistics and trends to OIR on a monthly basis	X		
1.32	Maintain and control printing to remote Sites (currently using Levi, Ray & Shoup)	X		
1.33	Provide technical support for equipment/hardware and software for remote print Sites (currently using Levi, Ray & Shoup)	X		
1.34	Provide operator support for remote print Sites (currently using Levi, Ray & Shoup)	X		X
2 Production Control and Scheduling				
2.1	Assume responsibility for production control and scheduling functions as identified by OIR and/or State Agencies	X		
2.2	Establish, document, and maintain standards for production jobs			X
2.3	Identify job dependencies, and create and maintain job dependencies on the master scheduling database	X		X
2.4	Develop, distribute, and obtain agency approval of schedules prior to implementation and execution	X		X
2.5	Coordinate and modify schedules for special requests and comply with OIR and/or State Agency priorities	X		
2.6	Coordinate resolution of scheduling conflicts and comply with OIR and/or State Agency priorities	X		X
2.7	Provide schedule status updates	X		
2.8	Respond expeditiously to requests from OIR or State Agency for priority job execution	X		
2.9	Promptly notify OIR or State Agencies if special requests will affect the timely completion of other tasks	X		
2.10	Prioritize and schedule Batch jobs, and report distribution systems (in accordance with OIR's schedule parameters) to optimize the use of processing windows and the scheduled Availability of Online Systems that are dependent on Batch	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
	processing, while verifying that Batch completion times are met			
2.11	Take any other necessary steps to prepare application job streams for production scheduling and execution	X		
2.12	Enter program control specifications (parameters) into application job streams as directed by State Agencies	X		
2.13	Maintain System job streams, including indicating file usages, job dependencies / priorities, and program options available as required / requested	X		
2.14	Maintain up to date information on all operational documentation	X		
2.15	Move programs and documentation to production libraries as required / requested	X		
2.16	Monitor all jobs, scheduled or unscheduled as required / requested	X		
2.17	Start jobs manually where automated processes do not exist or are not available as required / requested	X		
2.18	Investigate and report on all jobs that end or perform abnormally	X		
2.19	Where directed, required, or appropriate, restart jobs	X		
2.20	Contact OIR staff, other technical staff, and / or third parties as necessary and work with them on support issues	X		
2.21	Create incident and / or problem records and or reports for job abnormalities using the appropriate tracking system	X		
3 Technical Support				
3.1	Provide all technical System support for operations including:	X		
3.1 .1	Storage management	X		
3.1 .2	System programming	X		
3.1 .3	Capacity planning	X		
3.1 .4	Performance analysis and tuning	X		
3.2	Install and maintain all System Software products	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
3.3	Provide regular monitoring and reporting of System performance, utilization, and efficiency	X		
3.4	Provide technical advice and support to the application development and maintenance staffs, as required	X		
4 General Technical Support				
4.1	Provide appropriate response to incidents and problems and continued support through resolution as required in order to meet Online System and Batch Availability schedules	X		
4.2	Provide technical support to the Office for Information Resources Service Desk (OSD) and / or State Agencies	X		
4.3	Provide technical advice and support to the application development and maintenance (State Agency application owners) and database administration (DBA) staffs, as required	X		
4.4	Interface between all parties implementing changes	X	X	X
4.5	Monitor Online Systems performance using appropriate software tools	X		
4.6	Enforce documentation standards	X		
4.7	Develop, where appropriate, and install productivity tools / utilities, as well as performing all required operational modifications for the efficient and proper delivery of the services	X		
4.8	Provide product research, project support, and advice on equipment/hardware tuning and efficiency improvements	X		
4.9	Install, tailor, maintain, and provide on-going support for System Software products	X		
4.10	Install software according to the applications' specifications and / or OIR requirements / standards	X		
4.11	Modify System Software to provide interfaces to OIR and State Agency systems/applications while maintaining any existing special user interfaces as required / requested	X		
4.12	Manage, prioritize, and coordinate all preventive and	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPONSIBILITY	AGENCY RESPONSIBILITY
	remedial maintenance and updates for System Software			
4.13	Review all software conversion plans with OIR	X		
4.14	Report performance data and resource utilization statistics related to System Software release-level upgrades as required / approved and as available	X		
4.15	Provide consultation support as OIR reasonably requests (For example: product research, project support, application tuning, and efficiency improvements)	X		
4.16	Interface and integrate with third parties for System Changes, administration, and implementation as required / requested	X		
5 Capacity Management				
5.1	The Contractor is required to assist OIR and State Agencies in understanding the future business requirements, the organization's operation, and the IT Infrastructure, as well as to provide all current and future capacity and performance aspects of the business requirements in a cost effective manner	X		
5.2	Perform activities required for monitoring and optimizing performance in order to reduce costs or improve Service Levels	X		
5.3	Provide performance monitoring, tuning, and reporting	X		
5.4	Provide System performance reviews and advice	X		
5.5	Conduct System performance testing as required / requested	X		
5.6	Perform upgrades as required to provide effective capacity and to meet software requirements as required / requested	X		
5.7	Coordinate with Third-Party Vendors, other suppliers, OIR, and State Agencies as appropriate on projects to install / upgrade hardware and software, including but not limited to CPU and storage devices as required / requested	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPONSIBILITY	AGENCY RESPONSIBILITY
5.8	Develop a rolling 12 month capacity forecast based on current utilization and assist when requested by OIR or State Agency in the development of capacity forecast required for budget preparation	X		
5.9	On an agreed schedule, revise the capacity planning model based on actual performance, including the costs associated with the changes in the plan	X		
6 Configuration Planning				
6.1	Manage and install hardware and associated firmware as required / requested	X		
7 Database Support and Management				
7.1	Perform physical database application administration functions for the databases required by OIR and State Agencies, including:			
7.1.1	Storage management Services	X		
7.1.2	Installation and maintenance, as well as tailoring and monitoring of database software products	X		
7.1.3	Provide backup and recovery services	X	X	X
7.1.4	Define data and database standards		X	X
7.1.5	Support OIR and State Agencies as needed	X		
7.1.6	Import, export, and extractions of data			X
7.2	Perform control functions in adherence to Change Management procedures to support systems/applications existing as of the effective date, as well as any planned new systems/application development		X	
7.3	Plan for changes in the size of databases that result from business growth and project implementation based on information supplied by State Agencies		X	
7.4	Maintain, operate, and upgrade automated monitoring tools to monitor database performance	X	X	
7.5	Perform database shutdowns and restarts, as requested by OIR and/or a State Agency	X		X
7.6	Perform database reorganizations to optimize		X	X

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPONSIBILITY	AGENCY RESPONSIBILITY
	performance			
7.7	Maintain, update, and implement database archive processes and procedures to recover from an outage or corruption in a timely manner in order to meet OIR's and State Agencies' business requirements	X		X
7.8	Provide physical database management support, including providing backups and restores of data in a timely manner	X		
7.9	Install, maintain, and support database software products	X		
7.10	Test and implement database environment changes, as approved by OIR and State Agency	X	X	X
7.11	Proactively provide capacity planning to prevent situations caused by lack of capacity (for example: dataset or table space capacity events, full log files, etc.) in coordination with OIR and the State Agencies	X	X	
8 Application Administrative Support				
8.1	Employ database performance analysis to confirm physical database requirements to support OIR's and State Agencies' business systems/applications	X		
8.2	On request, provide OIR or State Agencies with documentation of files generated by the file management systems, including name, utilization statistics, and owning applications	X		
8.3	Provide technical advice to and assist OIR and State Agencies in performing stress testing, and operating system and database performance tuning	X		
8.4	Develop, document, and maintain physical database standards and procedures	X	X	
8.5	Participate in evaluating physical database changes and the impact of State Agency work. Implement necessary changes, recognizing System and Network impact to relevant databases, subject to OIR's and State Agency's review and approval.	X		
8.6	Provide administrative support for Middleware (i.e. ,		X	

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPONSIBILITY	AGENCY RESPONSIBILITY
	HOD, Document Direct, Attachmate) on all platforms used in OIR's and State Agencies' environments.			
9 Online Storage and Backup Management				
9.1 Storage and Backup Architecture				
9.1.1	Provide the Architecture, design, and planning processes for the development and installation of a storage and backup infrastructure that satisfies the needs of all aspects of the business	X		
9.1.2	Remain current in the knowledge and use of data storage technology and management products	X		
9.1.3	Develop and maintain strategies for the deployment and implementation of storage and backup solutions throughout the State's mainframe environment	X		
9.1.4	Coordinate all aspects of Storage and Backup based architecture, design, and planning throughout the State's mainframe environment	X		
9.1.5	Provide and coordinate a storage and backup resource to interface with OIR and the State Agencies	X		
9.2 Engineering				
9.2.2	Provide in-depth analysis of all operations on behalf of Availability Management, for example, to assist in service outage investigations and Root Cause Analysis	X		
9.2.3	Identify opportunities for continual improvement, through knowledge management and constant skill review, report monthly	X		
9.2.4	Provide a robust and highly available storage and backup infrastructure. Update the storage and backup infrastructure as new tools and technology are available that would improve OIR's or State Agencies' business processes and performance	X		
9.2.5	Educate and train the operational staff in the use of analysis tools and processes, where appropriate	X		
9.2.6	Participate, perform, and direct all scheduled Disaster	X	X	X

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPONSIBILITY	AGENCY RESPONSIBILITY
	Recovery Services tests			
9.2.7	Manage vendor relationships and provide a technical interface to OIR, State Agencies, other project managers, and vendors as required / requested	X		
9.2.8	Provide evaluations of new tools and technologies	X		
9.2.9	Establish and maintain the alerting mechanisms and monitoring systems	X		
9.2.10	Perform testing and benchmarking of new infrastructure or tools prior to deployment into production, with OIR's approval	X		
9.2.11	Create handover documentation, training, diagnostic scripts, and operational procedures for the operations group	X		
9.2.12	Implement performance and configuration tuning of the storage and backup infrastructure in conjunction with Capacity Management and Change Management	X		
9.2.13	Establish System tuning and performance processes	X		
9.2.14	Provide appropriate security measures for the storage and backup infrastructure	X		
9.3 Operations and Processing				
9.3.1	Remain current in the knowledge and use of data storage technology and management products	X		
9.3.2	Perform online storage tuning (add channels, move volumes, etc. as required)	X		
9.3.3	Provide event, warning, alert, and alarm processing and management	X		
9.3.4	Provide resolution of all event, warning, alert, and alarm messages	X		
9.3.5	Interface with the Incident and problem management processes and liaise with all parties supporting incident and problem resolution	X		
9.3.6	Provide Storage and Backup infrastructure configuration maintenance (software / firmware updates)	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
9.3.7	Instigate improvement or remedial activities in operational processes under the control of Change Management	X		
9.3.8	Assign and initialize online storage capacity as required / requested	X		
9.3.9	Manage the archiving of inactive files and report on online storage characteristics to be reviewed by OIR and State Agencies as required / requested	X		
9.3.10	Conduct routine monitoring using software tools to measure the efficiency of online storage access, and take corrective action as needed (including performance adjustments to equipment/hardware and software, or file placement as required to maximize service)	X		
10 Application Administration				
10.1	Manage online storage thresholds and data archives and report monthly	X		
10.2	Monitor user directories for file inactivity and report monthly	X		
10.3	Monitor and maintain file directories and catalogs and report monthly	X		
10.4	Provide online storage compaction as needed and as possible within production processing schedules	X		
10.5	Provide data migration / archive management as required / requested	X		
11 External Storage Media Management				
11.1 Operations and Processing				
11.1.1	Assume operational responsibilities for all external storage media management functions (tape), both on-site and off-site, for external storage media library operations and State Agency application owners	X		
11.1.2	Utilize the most efficient and effective storage media, tools, and processes for OIR's and State Agencies' data and programs	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
11.1.3	Recopy external storage media (tape) to support minimization of read / write errors and / or to recover corrupted data	X		
11.1.4	Coordinate with external and / or internal providers to recycle tape media regularly, manage media replacement, and recopy media to provide data integrity and quality	X		
11.1.5	Periodically (but not less than quarterly) coordinate the retrieval and test of all backup media types and verify data can be restored in a usable fashion and report results	X		
11.1.6	Wipe / erase the data and configuration information resident in the computer system, storage components, and/or devices using State and / or Federal guidelines/policies prior to disposing of equipment	X		
11.1.7	Operate and support media libraries and library management systems	X		
11.1.8	View Direct report set up, addition/deletion of users and user access to reports, and current maintenance	X		
11.2 Application Owner Administration				
11.2.1	Monitor external storage media equipment (tape and tape silos) in case of malfunction, and initiate corrective action in accordance with established procedures	X		
11.2.2	Maintain the integrity of tape libraries and support systems	X		
11.2.3	Monitor tape media for reliability and minimization of read / write errors during the entire period of retention	X		
11.2.4	Monitor and report on tape media usage	X		
11.2.5	Monitor tape media to comply with OIR, State Agency, and applicable government requirements (FTI, HIPPA, PCI, etc...)	X		
11.2.6	Restore required files and datasets in a timely manner	X		

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
11.2.7	Maintain an existing inventory control system to properly manage tape media in storage and prepare them for shipment to the contingency site	X		
12 State Agency Support				
12.1	Provide support, advice, and assistance to State Agencies in a manner consistent with current practices	X		
12.2	Implement job control and parameter changes for State Agencies as required / requested	X		
12.3	Provide technical support and administration for various products and application rollouts	X		
13 Backup and Recovery Services				
13.1	Assume responsibility for OIR's and State Agencies' System data backup requirements, including:			
13.1.1	Manage and coordinate off-site vaulting of data on media as scheduled	X		
13.1.2	Cataloging off-site content	X		
13.1.3	Coordinate retrieving backup tapes	X		
13.1.4	Backup of catalogs / indexes / log files	X		
13.1.5	Restoring data from the backups	X		
13.2	Perform System data backup and recovery as required and in accordance with OIR and State Agency standards, policies, and Disaster Recovery Services requirements	X		
13.3	Perform backups on all defined Systems in accordance with OIR and State Agency standards, policies and Disaster Recovery Services requirements	X		
13.4	Establish a process by which State Agencies can request recovery of data or files, and document the process	X		
14 Intrusion Prevention				
14.1	Install, update, and configure intrusion systems	X		
14.2	Monitor all intrusion systems from central logging	X	X	X

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	AGENCY RESPON- SIBILITY
	system, and provide appropriate response to alerts from Systems based upon mutually agreed procedures as defined by OIR			
14.3	Provide RACF administration functions (define new rules, maintain all current rules, define new users / groups, etc.)		X	X
15 Network Technical Support				
15.1	Provide logical design and connectivity to OIR or State Agencies and external client Sites for the Network, including support of all third-party equipment/hardware	X	X	
15.2	Monitor capacity; implement upgrades; and make network modifications as required for projects	X		
15.3	Support all System Software used to provide network services, e.g. VTAM, ACF/SSP, ACF/NCP, EP, Netview, Netview Access Services, enterprise extender, and TCP/IP	X		
15.4	Coordinate with LAN and WAN groups and/or other Third-Party Vendors as required	X		

STATE-AGENCY PROVIDED PRODUCTION-CONTROL – RESPONSIBILITY MATRIX

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	STATE AGENCY RESPON- SIBILITY
2 Production Control and Scheduling				
2.1	Assume responsibility for production control and scheduling functions as identified by OIR and/or State Agencies	X		
2.2	Establish, document, and maintain standards for production jobs			X
2.3	Identify job dependencies, and create and maintain job dependencies on the master scheduling database	X		X
2.4	Develop, distribute, and obtain agency approval of schedules prior to implementation and execution			X
2.5	Coordinate and modify schedules for special requests and comply with OIR and/or State Agency priorities	X		
2.6	Coordinate resolution of scheduling conflicts and comply with OIR and/or State Agency priorities	X		X
2.7	Provide schedule status updates			
2.8	Respond expeditiously to requests from OIR or State Agency for priority job execution	X		
2.9	Promptly notify OIR or State Agencies if special requests will affect the timely completion of other tasks	X		
2.10	Prioritize and schedule Batch jobs, and report distribution systems (in accordance with OIR's schedule parameters) to optimize the use of processing windows and the scheduled Availability of Online Systems that are dependent on Batch processing, while verifying that Batch completion times are met	X		
2.11	Take any other necessary steps to prepare application job streams for production scheduling and execution			X
2.12	Enter program control specifications (parameters) into application job streams as directed by State Agencies			X

Service Management		CONTRACTOR RESPONSIBILITY	OIR RESPON- SIBILITY	STATE AGENCY RESPON- SIBILITY
2.13	Maintain System job streams, including indicating file usages, job dependencies / priorities, and program options available as required / requested			X
2.14	Maintain up to date information on all operational documentation			X
2.15	Move programs and documentation to production libraries as required / requested			X
2.16	Monitor all jobs, scheduled or unscheduled as required / requested	X		
2.17	Start jobs manually where automated processes do not exist or are not available as required / requested			X
2.18	Investigate and report on all jobs that end or perform abnormally	X		
2.19	Where directed, required, or appropriate, restart jobs	X		
2.20	Contact OIR staff, other technical staff, and / or third parties as necessary and work with them on support issues	X		
2.21	Create incident and / or problem records and or reports for job abnormalities using the appropriate tracking system	X		

ATTACHMENT D

MAINFRAME SERVICES – SHARED/AGENCY RESPONSIBILITY MATRIX

1.14			
Repair abnormally ended jobs when Primary Recovery Instructions are not available or when after followed, Primary Recovery Instructions fail to repair abnormally ended jobs			
	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Notify Agency POC for on call.		Repair Job and Contact contractor production control for resumption of Job.
1.15			
Check job queues and print queues, and change job priorities as required/requested.			
	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Changes job priorities based on request	Change print based on request	
1.16			
Coordinate or take printers in and out of service, and start, spool and drain printers as required/requested.			
	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Shall have a console available in the print area for printer operators	Make changes as requested	

1.34

Provide operator support for remote print Sites

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Add, Change, delete printers and DRS Nodes and provide General Printer support.		Request Add, Change And deletes for printers and open remedy issues for Printer issues.

2.2

Establish, document, and maintain standards for production jobs

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies			Entire process of establishing, documenting and maintaining standards for production jobs.

2.3

Identify job dependencies, and create and maintain job dependencies on the master scheduling database

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Maintain Master scheduling database and update as requested by Agency.		Provide updates to production control.

2.4

Develop, distribute, and obtain agency approval of schedules prior to implementation and execution

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Obtain agency approval of the schedule once entered into the scheduler system prior to implementation and execution.		Develop schedule, distribute to Contractor and approve updates by contractor prior to implementation and execution

2.6

Coordinate resolution of scheduling conflicts

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Resolve with Agencies involved.		Work with Contractor.

4.4

Interface between all parties implementing changes

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
All Agencies	Notify and coordinate with OIR and/or Agencies for System Software updates.	Resolve conflicts between Agencies and Contractor.	Notify and coordinate with OIR and/or Contractor for application software updates.

7.1.3

Provide backup and recovery services

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Contractor is responsible for agency data as required by agency standards.	Help agencies develop and present backup and recovery standards to the contractor. For DB2 data only.	Provide standards for backups to contractors.

7.1.4

Define standards

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES		Work with Agencies to provide standards and data layouts.	Work with OIR DB2 Database managers to define, change or delete DB2 Databases.

7.4

Maintain, operate, and upgrade automated monitoring tools to monitor database performance

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Maintain, operate, and upgrade automated monitoring tools to monitor database performance	Suggest tools for use and ensure that they are kept at correct software levels.	

7.5

Perform database shutdowns and restarts

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Perform database shutdowns and restarts		Request shutdowns and restarts.

7.6

Perform database reorganizations to optimize performance

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES		Perform DB2 reorgs as needed or requested by agency.	Request database reorgs from OIR for DB2 and perform reorgs for IMS.

7.7

Maintain, update, and implement database archive processes and procedures to recover from an outage or corruption in a timely manner in order to meet OIR's and OIR Customers' business requirements

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Perform Backups as required.		Ensure that all data

7.10

Test and implement database environment changes, as approved by OIR and OIR Customer

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Not Valid for DB2.IMS changes must be approved and/or requested by agencies.	Oversight of testing and changes.	Testing new environment prior to production move. And requesting production moves once testing has been completed.

7.11

Proactively provide capacity planning to prevent situations caused by lack of capacity (for example: dataset or table space capacity events, full log files, etc.) in coordination with OIR

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Based on Capacity monitoring Contractor will apprise OIR of potential capacity overload. Contractor will work with OIR to plan for future needs.	Respond to Contractor's assessment of potential for overload. And assist with planning of capacity increases.	

8.4

Develop, document, and maintain physical database standards and procedures

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Adhere to standards set forth in 7.1.4.	Monitor Contractor to make sure standards set forth in 7.1.4 are followed.	

9.2.6

Participate, perform, and direct all scheduled Disaster Recovery Services tests

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Follow guidelines set forth previously in the RFP.	Monitor contractor to make sure DR standards are followed.	Test applications in DR environment.

14.2

Monitor all intrusion systems from central logging system, and provide appropriate response to alerts from systems based upon mutually agreed procedures as defined by OIR

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Firewall intrusion reports monthly. Provide reports on RACF that are currently in use.	Review reports.	Review reports.

14.3

RACF administrations / functions (define new rules, maintain all current rules, define new users / groups, etc.)

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES		Complete Administration of RACF.	Continues as is today. Agency uses CICS screen to administer their user and data set RACF.

15.1

Provide logical design and connectivity to OIR or State Agencies and external client Sites for the Network, including support of all third-party equipment/hardware

	Contractor Responsibility	OIR Responsibility	Agency Responsibility
ALL AGENCIES	Provide Visio Diagrams and a written narrative describing the connectivity process as the contractor sees fit. Once reviewed and discussed with OIR implement design as agreed upon.	Once the contractor provides design documents review and discuss changes as appropriate. Aid in implementation as agreed upon in the design.	

ATTACHMENT E**FEDERALLY MANDATED REQUIREMENTS****1 PERFORMANCE**

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- 1.1 All work will be done under the supervision of the contractor or the contractor's employees.
- 1.2 Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract.

Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- 1.3 All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- 1.4 The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- 1.5 Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- 1.6 All computer systems receiving, processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
- 1.7 No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
- 1.8 The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- 1.9 The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.
- 1.10 (Include any additional safeguards that may be appropriate.)

2 CRIMINAL/CIVIL SANCTIONS:

- 2.1 Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution.

Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

- 2.2 Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.
- 2.3 Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- 2.4 Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, *IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information* and Exhibit 5, *IRC Sec. 7213 Unauthorized Disclosure of Information*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

3 INSPECTION:

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

4 PUBLICATION 1075:

In addition to the above requirements, the Contractor must also comply with all stipulations of Federal Publication 1075, as amended, including all documents referenced therein. This publication is found at the following link: <http://www.irs.gov/pub/irs-pdf/p1075.pdf>.

ATTACHMENT F**SERVICE LEVEL AGREEMENTS (SLAs)****1 GENERAL**

The methodology set out in this Attachment F will support the Service Level Management cycle of agreeing, monitoring, reporting and improving the delivery of the services to the State and its business units. As of the Service Start Date, Contractor will perform the Services to which Service Levels apply so that the Service Level performance will, in each month of the Term, meet or exceed the Service Levels.

New Critical Service Levels and Key Measurements may be added or substituted by The State of Tennessee during the Contract Term. For example, such additions or substitutions may occur in conjunction with changes to the environment and the introduction of new equipment/hardware or software or means of Service delivery – provided, however, that where such equipment/hardware or software or such means of Service delivery is a replacement or upgrade of existing technology, there shall be a presumption of equivalent or improved performance.

The Fee Reductions, as defined below, have been designed to encourage the consistent and timely delivery of the Services to the State. The Fee Reductions are not intended to compensate The State of Tennessee for damages, but rather to align the State's payment to the value of the Services actually delivered, as well as to provide incentives to the Contractor to achieve the Contract's stated objectives.

This Attachment F outlines the circumstances under which Contractor will be subject to Fee Reductions for failures to achieve the Critical Service Level requirements set forth in Section F.9 below (Service Levels and Service Credits). At the State discretion, but no more often than annually, the Service Levels and Service Credits shall be subject to updates to reflect the State's Critical Service Level and Key Measurement requirements. On a quarterly basis, The State may unilaterally adjust Weighting Factors for any or all Critical Service Levels subject to Fee Reductions, but will give Contractor at least sixty (60) calendar days prior written notice before those adjustments take effect.

Fee Reductions associated with Contractor's unexcused failure to achieve the Critical Service Levels are described in Section F.2, below, and are set forth in Section F.9 (Service Levels and Service Credits).

2 CRITICAL SERVICE LEVELS AND KEY MEASUREMENTS

Each Critical Service Level and Key Measurement identifies a performance measure that will be used to evaluate Contractor's delivery of the Services. The overriding goal in developing Critical Service Levels and Key Measurements is to support the State's desire to manage Contractor by monitoring and measuring Contractor's actual performance. The State expects the Critical Service Levels and Key Measurements to improve over time and that new Critical Service Levels and Key Measurements may be added to reflect changing or new business requirements. The State expects continuous improvement in Contractor's provision of the Services and, therefore, expects to review Critical Service Levels and Key Measurements at least annually and, where appropriate, to adjust the Critical Service Levels and Key Measurements to reflect such continuous improvement in Contractor's provision of the Services. In no event, unless mutually agreed, will the Critical Service Levels, Key Measurements or the Fee Reductions be reduced below the levels at which they are set on the Contract Effective Date.

The Service Level Definitions are in Section F.8 below.

2.1 FEE REDUCTIONS, AT-RISK AMOUNTS, AND WEIGHTING FACTORS

The monthly Fee Reductions for Contractor's failure to meet agreed to Critical Service Levels shall be up to the At-Risk Amount, which is twelve percent (12%). The At-Risk Amount of 12% is of the total amount paid by the State for On-Going Mainframe Services per month ("Monthly

Upon any initial failure of a Critical Service Level, a Fee Reduction shall be assessed which shall be calculated as: the At-Risk Amount multiplied by the Weighting Factor for the Critical Service Level that was missed.

Note that the “% of Invoice” will be rounded to three (3) places to the right of the decimal point, prior to conversion to a percentage. Standard rounding will be used, in which five (5) or greater is rounded up to ten (10)

If there are subsequent failures to a Critical Service Level in two (2) or more consecutive calendar months, the Weighting Factor for the second, third and each subsequent consecutive calendar months shall be increased as follows:

- ### 2.1.3 FAILURES ACROSS CRITICAL SERVICE LEVELS OR KEY MEASUREMENTS WITH 0% WEIGHTING FACTORS

2.2 ACCUMULATED FEE REDUCTIONS

2.3 AGGREGATE MAXIMUM OF WEIGHTING FACTORS AND AT-RISK AMOUNT

For the avoidance of doubt, the combined maximum of Weighting Factors to be assigned to all Critical Service Levels shall not exceed, in the aggregate, three hundred percent (300%). The sum of all Fee Reductions in a given calendar month shall not exceed the total At-Risk Amount of twelve percent (12%) for such calendar month.

3 NOTICE REQUIREMENTS FOR ADDITIONS, DELETIONS AND MODIFICATIONS

The State may add, modify or delete Critical Service Levels or Key Measurements by sending written notice in accordance with this Section 3. The State will send notice to Contractor at least ninety (90) days prior to the date that additions or deletions to Service Levels (which include the

movement of Critical Service Levels to Key Measurements and Key Measurements to Critical Service Levels), or modifications to Weighting Factor Percentages for any Critical Service Levels are to be effective. The State may send only one such notice (which notice may contain multiple changes) each calendar quarter. Movement of Critical Service Levels to Key Measurements and/or Key Measurements to Critical Service Levels does not constitute the creation of new Service Levels.

4 IMPROVEMENT PLAN

If Contractor fails to achieve any Critical Service Level or Key Measurement, Contractor shall, within thirty (30) days of such failure, provide the State a written plan for improving Contractor's performance to achieve the Critical Service Level or Key Measurement, which plan shall be subject to the State approval, not to be unreasonably withheld. Contractor shall promptly implement such plan once it has been approved by the State.

5 PERCENTAGE OBJECTIVES

Both parties understand that certain Critical Service Levels or Key Measurements may not be measured against an objective of one hundred percent (100%), but to an objective of zero percent (0%). The calculations will be modified, when appropriate, to reflect this objective.

6 REPORTING

Unless otherwise specified in this Schedule, each Critical Service Level and Key Measurement shall be measured on a monthly basis. Contractor shall provide to the State, as part of Contractor's monthly performance reports, a set of soft-copy reports to verify Contractor's performance and compliance with the Critical Service Levels, Key Measurements and Contractor shall provide detailed supporting information for each report to The State in machine-readable form suitable for use on a personal computer. The data and detailed supporting information shall be The State's Confidential Information, and the State may access such information online and in real-time, where feasible, at any time during the Term.

7 EXCEPTIONS

Contractor shall not be responsible for a failure to meet any Critical Service Level or Key Measurement solely to the extent that such failure is directly attributable to any of the following:

1. The State's (or a State of Tennessee third-party contractor's) acts, errors, omissions, or breaches of the Contract to the extent such acts, errors, omissions or breaches excuse Contractor's performance.
2. Infringements of third-party proprietary rights by the State or a State of Tennessee third-party contractor to the extent such infringements excuse Contractor's performance.
3. Willful misconduct or violations of law by the State or a State of Tennessee third-party contractor to the extent willful misconduct or violations of law excuse Contractor's performance.
4. Service or resource reductions requested or approved by the State and agreed to by the Parties through the Change Control procedures; provided that Contractor has previously notified the State in writing as part of such Change Control Procedures that the implementation of such request would result in such failure to meet the Service Level.
5. Failure to conduct repair on equipment/hardware that has been identified and agreed in writing by the State to be unserviceable equipment/hardware. Such agreement shall have been made identifying the equipment/hardware as unserviceable equipment/hardware prior to any failure incident qualifying as an exception.
6. Mass telecommunications outages affecting multiple customers of the State's telecommunications carrier and any failure of a telecommunications carrier approved by the

State to restore an outage within its contractual service level, except to the extent that the affected services are available from the State or Contractor's secondary telecommunications carrier, provided that Contractor has complied with its obligations under the Contract.

8 SERVICE LEVEL DEFINITIONS

GENERAL

Contract Attachment F, Section 9 identifies the key parameters associated with each Service Level, and Contract Attachment F, Section 2 identifies the methods of measurement for each Service Level. This Section 8 defines the calculation method for each Service Level.

The following defined terms are used in the definition of the Service Levels:

“Actual Uptime” means the measurement of time that a particular System, application, software, equipment/hardware, Network, or any other part of the Services is available and working properly during the Measurement Window, and such measurement will be calculated by subtracting Downtime from the Scheduled Uptime.

“Downtime” means the time that a particular System, System, application, software, equipment/hardware, Network, or any other part of the Services is not available during the Measurement Window.

“Resolve” means the restoration of full service or the completion of the service request that results in the Services conforming to and performing in accordance with this Contract in a manner acceptable to State or the applicable Authorized User in their reasonable discretion. Resolution may include the restoration of full service by workaround or other alternative means until a permanent fix that prevents any further Incidents is implemented.

“Scheduled Uptime” means that period of time (days of the week and hours per day) during which a particular System, System, application, software, equipment/hardware, Network, or any other part of the Services is expected to be Available during the Measurement Window.

8.1 SERVICE LEVELS

This Section sets forth definitions of the Service Levels. The values of the Minimum Service Levels, Expected Service Levels and commencement of obligations associated with such Service Levels are set forth in Contract Attachment F, Section 9.

If the definition of a Service Level refers to expected release, completion, delivery or implementation, such Service Level shall also include all releases, completions, deliveries and implementations in the applicable Measurement Window, both completed and scheduled to be completed for the applicable Measurement Window.

8.1.1 All Batch jobs across all LPARS completed without Incident

The **“All Batch jobs across all LPARS completed without Incident”** Service Level measures the successful completion of all scheduled Batch jobs run on any LPAR during the Measurement Window. All scheduled Batch jobs run during the Measurement Window shall complete on time without Incident(s).

Incidents are

- System Software errors
- Operations error
- Environmental issues

- System hardware issues

The calculation for this Service Level is:

- (a) The number of Batch jobs that were completed without Incident during the Measurement Window

Divided by

- (b) The total number of Batch jobs scheduled or requested to be run during the Measurement Window. The result is expressed as a percentage to three decimal places.

For Clarity:

See example above in section 1.1

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.1.2 All Mainframe Application Environments Available During Scheduled Uptime

The “**All Mainframe Application Environments Available During Scheduled Uptime**” Service Level measures the availability of all Mainframe Application Environments during Scheduled Uptime within the Measurement Window. All Mainframe application environments shall be up and available to the intended Authorized Users and fully functioning as designed during Scheduled Uptime periods within the Measurement Window.

The calculation for this Service Level is:

- (a) The resultant of the total aggregated Scheduled Uptime minutes for all Mainframe application environments during the Measurement Window

Minus

- (b) the total aggregated Mainframe Application Environment Downtime minutes occurring during the Scheduled Uptime periods for all Mainframe application environments within the Measurement Window is

divided by

- (c) The total aggregated Scheduled Uptime minutes for all Mainframe Application Environments during the Measurement Window. The result is expressed as a percentage to two decimal places.

For clarity:

- 1) The amount of time between when the Incident occurs and when the Incident is Resolved is Mainframe Application Environment Downtime.
 - a. The amount of Incident Resolution Time that occurs outside of Scheduled Uptime periods (non scheduled uptime periods) will not count as Incident Resolution Time for purposes calculating Contractor's performance for this Service Level.
 - b. An Incident with an Incident Resolution Time of four (4) minutes that impacted five (5) Mainframe Application Environments during Scheduled Uptime periods, then twenty (20)

minutes of Incident Resolution Time would be used to calculate Contractor's actual performance for this Service Level during the Measurement Window.

- c. if an Incident with Incident Resolution Time was ten (10) minutes and five (5) minutes of the Incident Resolution Time was within a Scheduled Uptime period in one Measurement Window and the other five (5) minutes of Incident Resolution Time was within a Scheduled Uptime period in the succeeding Measurement Window, each five (5) minute block of Incident Resolution Time would be used to calculate Contractor's performance for this Service Level in the respective Scheduled Uptime period with in each Measurement Window.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.1.3 Actual Uptime for each production LPAR

The total amount of uptime for each production LPAR during the Measurement Window.

The calculation for this Service Level is:

"Actual Uptime for the LPAR's shall be calculated, for any given Measurement Window, as:

- (a) the total number of Actual Uptime minutes during such Measurement Window, for the LPAR being measured

Divided by

- (b) the total number of Scheduled Uptime minutes during the Measurement Window with the result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.1.4 Actual Uptime for the Online Systems (CICS, DB2, IMS)

The total amount of uptime for each production Online System during the Measurement Window.

The calculation for this Service Level is:

"Actual Uptime for an Online System shall be calculated, for any given Measurement Window, as:

- (a) the total number of Actual Uptime minutes during such Measurement Window, for the Online System being measured

Divided by

- (b) the total number of Scheduled Uptime minutes during the Measurement Window with the result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month**Service levels are tracked on a monthly basis:****Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.****8.1.5 Actual Uptime for Storage Controllers & Virtual Storage Units**

The total amount of uptime for Storage Controllers and Virtual Storage Units during the Measurement Window

The calculation for this Service Level is:

“Actual Uptime for the Storage Controllers or Virtual Tape Units shall be calculated, for any given Measurement Window, as:

- (a) the total number of Actual Uptime minutes during such Measurement Window, for the unit being measured

Divided by

- (b) the total number of Scheduled Uptime minutes during the Measurement Window with the result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month**Service levels are tracked on a monthly basis:****Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.****8.1.6 Response time for all Online Systems**

The total send/receive response time during the Measurement Window for any Online System.

The calculation for this Service Level is:

“Send/Receive for any online transaction during the Measurement Window, as:

- (a) The total number of transaction responses during such Measurement Window, which do NOT exceed five (5) seconds.

Divided by

- (b) The total number of transaction responses during such Measurement Window.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month**Service levels are tracked on a monthly basis:****Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.****8.1.7 Data backups completed without Incident**

The total data backups during the Measurement Window for all mainframe Systems.

The calculation for this Service Level is:

“Any data backup during the Measurement Window, as:

- (a) The total number of backups performed successfully during Measurement window

Divided by

- (b) The total number of backups performed during Measurement Window.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.1.8 Mainframe Provisioning requests completed within defined turnaround time

The **Mainframe Provisioning requests completed within defined turnaround time** Service Level measures the Contractor performance in completing requests. Contractor will conform to standards defined in Contract Section A.9 and Contract Attachment J.

The calculation for this Service Level is

- a) The number of requests completed within the defined turnaround time during the Measurement Window

Divided by

- b) The total number of requests completed during the Measurement Window. The result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis.

8.1.9 Speed to retrieve data on physical media from an off-site storage location

The total data backups during the Measurement Window for all mainframe Systems.

The calculation for this Service Level is:

“Any data retrieval during the Measurement Window, as:

- (a) The total number of retrievals from off-site storage completed during Measurement window of four (4) hours or less.

Divided by

- (b) The total number of retrievals from off-site storage completed during Measurement window.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.1.10 Speed to Initiate File Restorations

The **Speed To Initiate File Restorations** Service Level measures the Contractor performance in Initiating file restorations. Contractor will initiate the restoration files to Storage within fifteen (15) minutes of receiving a Service Request from an Authorized User.

The calculation for this Service Level is

- a) The number of file restorations to that were initiated by the Contractor within fifteen (15) minutes of Contractor receiving a Service Request from an Authorized User during the Measurement Window

Divided by

- b) the total number of file restorations to Storage contained within Service Requests received by Contractor from Authorized Users during the Measurement Window. The result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.1.11 Remedy High and Critical Incidents Resolved within defined Resolution Time

The “**Remedy High and Critical Incidents Resolved within defined Resolution Time**” Service Level measures the Contractor performance in Resolving tickets. Contractor will conform to standards defined in Contract Section A.9.

The calculation for this Service Level is

- a) The number of High and Critical Incidents Resolved within the defined Resolution Time during the Measurement Window

Divided by

- b) The total number of High and Critical Incidents opened during the Measurement Window. The result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis.

8.2 KEY PERFORMANCE INDICATORS

This Section sets forth definitions of the Key Performance Indicators (KPI). The values of the Minimum Service Levels, Expected Service Levels and Measurement Windows associated with such Service Levels are set forth in Schedule 4.1. There are not penalties associated with these KPI's but these are important to the State's business and are therefore measured. A KPI can become a Service Level Agreement.

8.2.1 Mainframe Outputs Delivered Without Incident

The **Mainframe Outputs Delivered Without Incident** Service Level measures the timeliness and quality of delivering mainframe outputs such as logical print reports or other outputs to the

designated remote Sites. All scheduled logical print reports and outputs shall be delivered without Incident during the Measurement Window.

The calculation for this Service Level is

- a) The number logical print reports or outputs delivered without Incident is

Divided by

- b) The total number of logical print reports or other outputs scheduled or expected to be produced during the Measurement Window. The result is expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis.

8.2.2 No Mainframe Application Environment Outage Greater Than (60) Minutes

The “**No Mainframe Application Environment Outage Greater Than (60) Minutes**” Service Level measures the length of service disruptions due to one or more Incidents. No single Incident in any of the Mainframe Application Environments shall be greater than (60) minutes during any Scheduled Uptime periods within the Measurement Window.

The calculation for this Service Level is:

There is no algorithm for this Service Level. This is a pass/fail Service Level.

Any Incident that results in Incident Resolution Time for one or more Mainframe Application Environments that is greater than (60) minutes during Scheduled Uptime periods is a Minimum Service Level Default for the Measurement Window.

Any Incident that results in Incident Resolution Time for one or more Mainframe Application Environments that is greater than [two (2) times (60) minutes] is a Significant Minimum Service Level Default

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a Period basis:

Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.2.3 Timely return of Misrouted Remedy Critical and High Incident Tickets

The **Timely return Of Misrouted Remedy Critical and High Incident tickets** Service Level measures the timeliness of the Contractor's ability to assess and return to the OSD Remedy Critical and High priority Incident tickets that the Contractor determines are not the responsibility of the Contractor. Contractor will return Remedy Critical or High Incident ticket to the OSD within five (5) minutes of receiving a Remedy Critical or High Incident ticket that is not the responsibility of the Contractor.

The calculation for this Service Level is:

- a) The total number of mainframe-related Remedy Critical and High Incident tickets that were incorrectly received by the Contractor that the Contractor returned to the OSD within

five (5) minutes of receiving the Remedy Critical and High Incident ticket during the Measurement Window

Divided by

- b) The total number of mainframe-related Remedy Critical and High Incident tickets that were received by the Contractor and returned to the OSD because the Remedy Critical and High Incident tickets were not the responsibility of the Contractor during the Measurement Window. The results expressed as a percentage to two decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month
Service levels are tracked on a monthly basis.

8.2.4 Storage Unit Response Time

The total receive/send response time during the Measurement Window for any I/O Request to storage subsystem.

The calculation for this Service Level is:

"Receive/Send for any I/O request during the Measurement Window, as:

- a) The total number of I/O request during such Measurement Window, which do NOT exceed twenty five (25) milliseconds.

Divided by

- b) The total number of I/O requests during such Measurement Window.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month
Service levels are tracked on a monthly basis:
Total hours per week (168) minus the single mainframe maintenance window of (4) hours per Month.

8.2.5 Remedy Medium Incidents Resolved within defined Resolution Time

The **Remedy Medium Incidents Resolved within defined Resolution Time** Service Level measures the Contractor performance in Resolving tickets. Contractor will conform to standards defined in Contract Section A.9.b.iii.

The calculation for this Service Level is

- a) The number of Medium Incidents Resolved within the defined Resolution Time during the Measurement Window

Divided by

- b) The total number of Medium Incidents opened during the Measurement Window. The result expressed as a percentage to three (3) decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month
Service levels are tracked on a monthly basis.

8.2.6 Timely return of Misrouted Medium Incident Tickets

The **Timely return Of Misrouted Medium Incident tickets** Service Level measures the timeliness of the Contractor's ability to assess and return to the Service Desk Medium priority Incident tickets that the Contractor determines are not the responsibility of the Contractor. Contractor will return Medium priority Incident tickets to the Service Desk within thirty (30) minutes of receiving a Medium Incident ticket that is not the responsibility of the Contractor.

The calculation for this Service Level is:

- a) The total number of mainframe-related Medium Incident tickets that were incorrectly received by the Contractor that the Contractor returned to the Service Desk within thirty (30) minutes of receiving the Medium Incident ticket during the Measurement Window

Divided by

- b) The total number of mainframe-related Medium Incident tickets that were received by the Contractor and returned to the Service Desk because the Medium Incident tickets were not the responsibility of the Contractor during the Measurement Window. The results expressed as a percentage to two decimal places.

Reporting, Measurement Window & Hours of Measurement:

Reporting at the end of the month

Service levels are tracked on a monthly basis.

9 SERVICE LEVELS AND SERVICE CREDITS

Total Contractor At Risk - Expressed in term of percentage of the Monthly Invoice Amount		12%
At-Risk Pool Percentage Available For Allocation - Expressed as a % of the "At Risk" amount		300%

Attach. F, Section 8, Section Reference	Allocation of Pool Percentage		300%	% of	
	Mainframe Service Levels	MSM-CD + mos**	Expected	Allocation*	Invoice
8.1.1	All Batch jobs across all LPARS completed without Incident	0	99.999%	30.00%	3.6%
8.1.2	All Mainframe Application Environments Available During Scheduled Uptime	0	99.999%	30.00%	3.6%
8.1.3	Actual Uptime for all LPAR's	0	99.999%	75.00%	9%
8.1.4	Actual Uptime for the Online Systems (CICS, DB2, IMS)	0	99.999%	30.00%	3.6%
8.1.5	Actual Uptime for Storage Controllers & Virtual Storage Units	0	99.999%	30.00%	3.6%
8.1.6	Response time for all Online Systems	0	95.000%	18.00%	2.16%
8.1.7	Data Backups Completed Without Incident	0	99.999%	18.00%	2.16%
8.1.8	Mainframe Provisioning Requests completed within defined turnaround time	1	99.999%	11.00%	1.32%
8.1.9	Speed To Retrieve Data On Physical Media From An Off-Site Storage Location	0	99.999%	18.00%	2.16%
8.1.10	Speed to Initiate File Restorations	0	99.999%	18.00%	2.16%
8.1.11	Remedy High and Critical Incidents Resolved within defined Resolution Time	1	95.000%	11.00%	1.32%

Notes:

* Service Level Credit Allocation Percentage

** Number of Months after the Mainframe Services Migration completion date (MSM-CD) when the Contractor is responsible for Service Level performance and Service Level Credits due for Service Level Default.

10 Key Performance Indicators

Key Performance Indicator	MSM-CD + mos**	Expected
8.2.1 - Mainframe Outputs Delivered Without Incident	1	95%
8.2.2 - No Mainframe Application Environment Outage Greater Than (60) Minutes	0	100%
8.2.3 - Timely return of Misrouted Remedy Critical and High Incident Tickets	1	95%
8.2.4 - Storage Unit Response Time (25 ms or less)	0	99.999%
8.2.5 - Remedy Medium Incidents Resolved within defined Resolution Time	1	95%
8.2.6 - Timely return of Misrouted Remedy Medium Incident Tickets	1	95%

** Number of Months after the Mainframe Services Migration completion date (MSM-CD) when the Contractor is responsible for Key Performance Indicator.

ATTACHMENT G

HUMAN RESOURCES PROVISIONS

1. TRANSITIONED EMPLOYEES.

1.1 Contractor Offers of Employment. Contractor shall make employment offers to the Affected Employees who are described in the Section 3 of this Contract Attachment G as being transferred or transitioned, or having their employment transferred or transitioned, to Contractor.

1.2 Terms of Offer. Each such offer shall be for employment for regular, full time, long-term employment with Contractor in a position comparable to the position that he or she held with the State, as applicable, and with initial base wages or salaries, variable compensation, title, level, vacation and paid-time-off entitlement, bonus consideration, employee benefits, shift differential, severance and other terms of employment comparable to those provided by Contractor to similarly situated Contractor employees as of the date of such offer. Comparable position shall include shift, such that an Affected Employee will be offered employment for the Contractor shift, which corresponds closest to the Affected Employee's current shift, unless at the sole discretion of the Affected Employee, the Affected Employee is willing to accept a different shift. Prior to Contractor's communicating with Affected Employees regarding commencement of employment with Contractor, the State and Contractor shall mutually agree to the effective date of such date of commencement of employment ("Employment Start Date"), subject to the State's position regarding the Worker Adjustment and Retraining Notification Act ("**WARN Act**") and applicable Laws. To the extent that an Affected Employee is not actively at work with the State immediately prior to the Employment Start Date with Contractor due to a short-term disability or other State-approved leave of absence, the offer shall be for employment commencing on such later date at which the Affected Employee is able to return to active employment; such date shall not be more than six (6) months after the Employment Start Date and shall become the Transitioned Employee's Employment Start Date. Contractor shall waive any preconditions to the employment of Affected Employees, including background checks, criminal checks, drug testing and/or medical examinations, and noncompetition covenants. However, Contractor reserves the right to conduct background checks should the Affected Employees be deployed to another client at any point during their employment with Contractor or if a background check is required by applicable law. The State shall determine, in its sole discretion, based on information provided by Contractor at least forty-five (45) days prior to the Employment Start Date, whether Contractor's offers of employment satisfy the conditions of this Contract Attachment G. Contractor shall not (and shall not permit its Affiliates or Subcontractors to) offer employment to any employee of the State relating to this contract including any employees who, prior to the Service Start Date, performed any of the Services to be provided by Contractor after the Service Start Date, other than the Affected Employees or other than in accordance with the provisions of this Contract Attachment G.

1.3 Offers to Comply with Laws. Contractor shall comply with all applicable federal and state laws, including local, state, and federal laws and regulations related to employment requirements and employment transfers, in offering employment to and employing the Affected Employees.

1.4 Terms of Employment.

- (a) Minimum Retention. Contractor shall not relocate a Transitioned Employee or change his or her assigned work location outside Nashville or the surrounding areas during the twelve (12) months immediately following such Transitioned Employee's Employment Start Date, unless such relocation or reassignment is expressly disclosed in the Transitioned Employee's offer letter and agreed to by him or her at the time of hiring. The Contractor shall not refuse employment to the Affected Employee based on the Affected Employee's refusal to relocate. Contractor also shall not terminate a Transitioned Employee during the twelve (12) months immediately following such Transitioned Employee's Employment Start Date for reasons other than (i) a violation of generally applicable work rules and policies of Contractor; (ii) circumstances reasonably viewed as constituting cause for termination (including job performance-related cause

for termination) (the items in clauses (i)-(iii) collectively being referred to as “**cause**”). For a period of twelve (12) months following the Employment Start Date, Contractor shall inform the State each month of Transitioned Employees who were terminated for cause, or who otherwise leave Contractor’s employment for voluntary reasons.

- (b) Additional Transitioned Employees. During the twelve (12) months following the Service Start Date, the State may designate, or the Parties may agree upon, additional State employees to whom offers of employment are to be extended by Contractor. The compensation and other terms and conditions of such offers of employment shall be as set forth in this Contract Attachment G, and individuals accepting such offers shall be treated as Transitioned Employees for all purposes.
- (c) Reemployment of Transitioned Employees. During the twelve (12) months following the Service Start Date, the State may designate, or the Parties may agree upon, one or more Transitioned Employees to whom the State may extend offers of reemployment who were hired by Contractor or its Affiliates or Subcontractors. Contractor shall not interfere with efforts by the State to reemploy any such Transitioned Employee.
- (d) Subcontractors. All offers of employment to personnel shall be for employment by Contractor. If any personnel will be offered employment with or transitioned to a Subcontractor or Affiliate of Contractor (rather than Contractor itself), such employment shall be subject to and in strict accordance with the same requirements of this Contract Attachment G applicable to Contractor.
- (e) No Right to The State of Tennessee Severance. As a condition to employment by Contractor, each Transitioned Employee shall acknowledge in writing that his or her employment **will not** be considered to have been “involuntarily terminated” by The State of Tennessee and, therefore, such Transitioned Employee’s acceptance of Contractor’s offer of employment shall not trigger a severance event or entitlement to any payment or benefit provided to involuntarily terminated employees or employees who have volunteered for termination in return for a package of payments or benefits under any State law, regulation, or policy.
- (f) Affected Employee Who Rejects Offer. An Affected Employee’s written rejection of the Contractor’s comparable job offer shall release the Contractor from the employment requirements stipulated in this Contract for the Affected Employee. However, rejection of a comparable job offer does not prevent the Affected Employee from otherwise seeking employment with the Contractor or the Contractor to otherwise offer employment to the Affected Employee, at any time during or after the Term of this Contract.

1.5 Employee Benefit Plans.

- (a) General. Contractor shall provide Transitioned Employees with employee benefits no less favorable than the employee benefits provided by Contractor to other similarly situated employees of Contractor. During the Term of the Contract, compensation and benefits provided by Contractor to each Transitioned Employee shall be, in the aggregate, no less favorable than the compensation and benefits generally available to similarly situated employees of Contractor.
- (b) Years of Service Credit. Each Transitioned Employee shall receive credit for the years of service recognized by the State for purposes of career advancement and promotion consideration; provided, the State verifies length of employment for the Transitioned Employees.
- (c) Employee Welfare Benefit Plans. Each Transitioned Employee shall be eligible as of his or her Employment Start Date to participate immediately in Contractor’s employee welfare benefit plans (“**welfare plans**”), which shall include medical care, hospitalization, life, supplemental life, accidental death and dismemberment,

prescription drug, dental, vision insurance benefits, short term disability and long term disability. Subject to the general comparability requirements of Section 1.5(a) of this Contract Attachment G, eligibility for, the benefits of, and the amount, if any, of employee contributions toward welfare plan coverage shall be determined by Contractor; provided, however, that each of Contractor's welfare plans shall waive all pre-existing condition exceptions, evidence of insurability, exclusionary provisions and/or waiting periods for each such Transitioned Employee and any eligible spouse or covered dependents. In addition, any deductible, co-payment or co-insurance amounts, or out of pocket expenses paid by any Transitioned Employee in the calendar year of his or her Employment Start Date shall be applied, subject to any limitations of Contractor's benefit plans, toward any deductible, co-payment or co-insurance amounts, or out of pocket requirement by Contractor's group insurance program for the calendar year of his or her Employment Start Date.

- (d) Paid-Time-Off (Vacation/Sick Leave). Beginning on his or her Employment Start Date, Contractor shall make available to each Transitioned Employee paid-time-off benefits for vacation and sick leave under its applicable plans, with years of service of such Transitioned Employee determined in accordance with Section 1.5(b) of this Contract Attachment G. The paid-time-off benefits provided by Contractor shall be no less favorable than the vacation and sick leave benefits generally available to similarly situated employees of Contractor. Contractor shall recognize vacation plans made by any Transitioned Employee and approved by the State prior to his or her Employment Start Date and shall permit such Transitioned Employee to incur negative leave balances for this purpose.
- (e) Holidays: Transitioned Employees shall be eligible for the Contractor holiday schedule (pro-rated for calendar year 2013). In accordance with Contractor's policy, Transitioned Employees working at a client location shall observe the client's holiday schedule.
- (f) Pension and Retirement Plans. Beginning on each Transitioned Employee's Employment Start Date, Contractor shall make available to all Transitioned Employees the pension and retirement plans that it makes available to similarly situated employees of Contractor.
- (g) Contractor 401(k) Savings Plan. Each Transitioned Employee shall be eligible to participate immediately in Contractor's 401(k) Savings Program pursuant to the plans and policies applicable to similarly situated employees of Contractor. Regular full-time (as defined by Contractor's employment policies for similarly situated employees) Transitioned Employees who enroll shall become eligible immediately upon their respective Employment Start Dates for Contractor matching contributions and earnings and shall be immediately vested in such Contractor matching contributions and earnings. Each Transitioned Employee may rollover his/her account from a The State of Tennessee qualified 401(k), 403(b) plan, 457 plans, or other qualified plan into the Contractor's 401(k) Savings Plan at any time, pursuant to the plans and policies applicable to similarly situated employees of Contractor.
- (h) Reimbursement Account Plans. Beginning on each Transitioned Employee's Employment Start Date, Contractor shall make available to all Transitioned Employees the reimbursement account plans that it makes available to similarly situated employees of Contractor.
- (i) Bonus Programs. Contractor shall provide to each Transitioned Employee variable compensation, incentive compensation, and bonus programs, if any, no less favorable than the variable compensation, incentive compensation, and bonus programs available to similarly situated employees of Contractor.

1.6 WARN ACT.

- (a) WARN Act Commitment. Contractor shall not, for a period of sixty (60) days after the Employment Start Date, cause any of the Transitioned Employees to suffer “**employment loss**” as that term is construed under the WARN Act, if such employment loss could create any liability for the State, unless Contractor delivers notices under the WARN Act in a manner and at a time such that the State bears no liability with respect thereto.
- (b) Responsibility. Contractor shall indemnify the State and hold it harmless for any liability, cost, claim, expense, obligation or sanction attributable to any breach by Contractor of Section 1.6(a) of this Contract Attachment G that results in the State being charged with violations of the WARN Act or the regulations promulgated thereunder, including any attorneys fees or court costs.

2. GENERAL.

- 2.1 **Communications Regarding Affected Personnel.** The Parties shall jointly plan, execute and communicate information regarding the transfer of employment, including communication to the Affected Personnel, using methods and content to be agreed upon as soon as practicable after the Contract Effective Date. Contractor shall not disclose information relating to the transfer of employment, including internal employee communications or external communications, without the prior consent of the State.
- 2.2 **Employment Status with the State.** The Parties agree that Transitioned Employees shall no longer be employees of the State on and after their Employment Start Date. The parties agree that the Transitioned Employees will be subject to the management, direction and control of Contractor and not the State. Any services that the Transitioned Employees will provide that may benefit the State will be as a result of assisting Contractor’s performance of this contract under the directions of Contractor’s management. The State will have no right or obligation to provide supplies, salaries, training, or benefits to the Transitioned Employees. The State does not maintain the right to terminate the employment of Transitioned Employees. Neither Contractor nor its employees (including without limitation Transitioned Employees), subcontractors or agents shall be deemed employees or agents of the State for any purpose including, without limitation, for: (i) federal, state or local tax, employment, withholding or reporting; (ii) provident fund, gratuity, bonus, workers’ compensation, employee state insurance or disability coverage, severance pay and paid vacation or sick pay; or (iii) eligibility or entitlement to any benefit under any of The State of Tennessee’s Benefit Plans provided to current State employees. “**Benefit Plans**” means employee benefit plans, incentive, compensation and other employee programs and policies. Contractor, and not the State, is responsible for payment of its own employees’ worker’s compensation, disability, unemployment and other insurance, for their respective social security and Benefit Plans and all applicable income and other taxes
- 2.3 **Salary Increases.** Contractor shall provide each Transitioned Employee with an annual performance appraisal and compensation review in accordance with Contractor’s policies. All such reviews and compensation adjustments shall be comparable to those provided by Contractor to similarly situated Contractor employees. In addition, Contractor shall factor in potential performance reviews at the State at the time of formulating the offer of employment after a full review of the performance review policy at the State.
- 2.4 **Tuition Assistance.** Transitioned Employees shall be eligible to participate immediately in any tuition assistance or reimbursement programs provided by Contractor to its similarly situated employees subject to Contractor procedures and policies as set each year for Contractor employees. The State shall remain financially responsible, in accordance with the State’s policy, for courses that are either in progress or have been committed to prior to the enrolled Transitioned Employee’s Employment Start Date and for which tuition assistance has been approved by the State. Courses approved for Transitioned Employees by Contractor after the Employment Start Date shall be reimbursed by Contractor in accordance with Contractor’s rules and procedures for such benefits.

- 2.5 Training and Skill Development.** Contractor shall provide training, skill development and career growth opportunities to Transitioned Employees that are at least as favorable as those provided to similarly situated employees of Contractor.
- 2.6 Equal Employment Opportunity Employers Statement.** Each of the State and the Contractor represents and warrants to the other that it is an equal employment opportunity employer and is in compliance in all material respects with any and all applicable employment anti-discrimination Laws, rules and regulations related to the provisioning of Services under this Contract. In regards to the delivery of the Services, each of the State and the Contractor agrees not to harass, discriminate against or retaliate against any of the other Party's employees on the grounds of race, national origin, age, sex, religion, disability, marital status or other category protected by Law, nor shall it cause or request such other Party to engage in such discrimination, harassment or retaliation in its provisioning of the Services (including but not limited to any refusal to use or remove any Transitioned Employee for reasons not permitted by applicable employment Laws). In the event of a complaint of unlawful discrimination, harassment or retaliation by any employee engaged in the delivery of the Services, the Parties agree to cooperate fully in investigating the employee's allegations before taking any final employment action that might cause an additional claim of unlawful discrimination, harassment, and/or retaliation.
- 2.7 Other Employee Matters.** As of the Employment Start Date, the Transitioned Employees shall be employees of Contractor for all purposes. Contractor shall be responsible for all necessary recruiting and hiring costs associated with employing appropriate staff, including all travel and relocation requirements and costs of hiring or transferring the Transitioned Employees. In addition, Contractor shall be responsible for funding and distributing benefits under the benefit plans in which Transitioned Employees participate on or after the Transitioned Employee's Employment Start Date and for paying any compensation and remitting any income, disability, withholding and other employment taxes for such Transitioned Employees beginning on the Employment Start Date. Unless otherwise agreed, the State shall be responsible for funding and distributing benefits under the State benefit plans in which Transitioned Employees participated prior to the Employment Start Date and for paying any compensation and remitting any income, disability, withholding and other employment taxes for such Transitioned Employees for the period prior to the Employment Start Date of such Transitioned Employee. The State shall provide Contractor with such information in the State's possession reasonably requested by Contractor in order to fulfill its obligations under this Contract Attachment G.

[illegible]

GOVERNANCE

1. Introduction

1.1 Mission

- 1.1.1 The mission of this Governance Model is to establish and maintain an effective means:
 - 1.1.1.1 To oversee the delivery of services by Contractor to the State in accordance with the Contract.
 - 1.1.1.2 To determine, authorize and prioritize changes in service.
- 1.1.2 The Governance Model involves decision-makers from both the State and Contractor. Governance focuses the State and Contractor on surfacing and resolving the issues that determine long-term success of the relationship and achieving the State's Mainframe Services objectives.

1.2 Purpose and Objectives of the Governance Model and Teams

- 1.2.1 Purpose of the Governance Model

The purpose of the Governance Model is to define interactions and boundaries between Contractor and the State, the governance roles and responsibilities (individuals and teams), team compositions, executive interaction and meetings, and to identify methods and processes used to:

 - 1.2.1.1 Provide a means by which work and levels of assigned resources to perform such work are authorized and prioritized.
 - 1.2.1.2 Monitor the health of the Mainframe Services arrangement and direct reporting requirements to adequately support this monitoring.
 - 1.2.1.3 Manage changes to the Contract.
 - 1.2.1.4 Perform long-term planning and oversee the associated budget planning.
 - 1.2.1.5 Facilitate the relationship and/or coordinate activities between In-Scope and State Agencies.
 - 1.2.1.6 Resolve issues that have been escalated to the different levels of Governance.
- 1.2.2 Objective of the Governance Teams

The objectives of the Governance Teams are to:

 - 1.2.2.1 Oversee the authorization of work, the assignment of resources, and the prioritization of resources already assigned.
 - 1.2.2.2 Monitor Contractor's performance.
 - 1.2.2.3 Maintain control of quality and effectiveness of the Services delivered by the Contractor.
 - 1.2.2.4 Monitor both Parties' fulfillment of all Contract commitments.
 - 1.2.2.5 Administer the requirements of the Contract.
 - 1.2.2.6 Oversee the provision of data required by the Contract for audit.

- 1.2.2.7 Oversee the provision of processes used to deliver the Services required by the Contract for audit.
- 1.2.2.8 Set strategic priorities for use of IT resources.
- 1.2.2.9 Leverage value-adds of Contractor to the benefit of the State.
- 1.2.2.10 Oversee that technology is appropriately used to support the State and the State's changing business needs.
- 1.2.2.11 Coordinate technology changes to minimize interruption of business processes.
- 1.2.2.12 Review and approve integrated processes such as project management, Change Management and Quality Assurance.
- 1.2.2.13 Set requirements, inspect them appropriately, and leverage the relationship between the State and Contractor.
- 1.2.2.14 Review performance to the State budget.
- 1.2.2.15 Participate in the development of new services to meet the State business needs, as required.

1.3 Evolution of the Governance Model

This Governance Model may change as the State's focus changes and as the relationship matures. This Governance Model may be revised from time to time to incorporate these changes, as mutually agreed upon by both Parties and noted in the Contract project file.

2 Management of the State of Tennessee and Contractor Relationship

The following sections describe key features of the Governance Model. The Governance Model incorporates a structure for the management of the State and Contractor relationship that includes executive management and operations management.

2.1 Executive Management

Executive management must address requirements at both the strategic and operational levels. In order to define and communicate the executive direction, a governance committee and a governance team have been established. These are:

- 2.1.1 Executive Steering Committee
- 2.1.2 Contract Management Team

2.2 Executive Steering Committee

- 2.2.1 The general responsibilities of the Executive Steering Committee include:
 - 2.2.1.1 Monitoring the overall progress of the Parties' performance under the Contract.
 - 2.2.1.2 Analyzing and attempting to resolve any disagreements referred by the Contract Management Team.
 - 2.2.1.3 Reviewing strategic new business opportunities for Contractor.
 - 2.2.1.4 Reviewing strategic technology opportunities for the State.

2.2.1.5 Reviewing strategic direction, annual budgets and targets, and deviations from established targets.

2.2.1.6 Focusing on creating value from the business relationship.

2.2.2 The Executive Steering Committee shall meet no less than four (4) times a year. At these meetings, members shall discuss reports prepared by the Contractor Account Executive and the State Chief Technology Officer with respect to the status of the performance of the Parties under the Contract and any significant events that have occurred since the previous meeting. The Executive Steering Committee may establish one or more subcommittees for the purpose of delegating certain responsibilities regarding day-to-day provision of the services.

2.2.3 The State and Contractor members for the Executive Steering Committee are shown in the table below:

Executive Steering Committee	Title
State Chairperson	State Chief Technology Officer
Contractor Chairperson	Account Executive
State Members	Appropriate OIR management
	Appropriate State agency IT management
	State Contract Administrator
	State Service Delivery Manager
Contractor Members	Contractor Consulting President/Vice President (or equivalent title)
	Contractor Chief Technology Officer
	Contractor Service Delivery Manager

2.3 Contract Management Team

2.3.1 The general responsibilities of the Contract Management Team include:

2.3.1.1 Monitoring the general progress of the Parties' performance under the Contract.

2.3.1.2 Analyzing and attempting to resolve any disagreements referred by other Governance Teams.

2.3.1.3 Performing financial reviews.

2.3.1.4 Reviewing Service Level performance.

2.3.1.5 Reviewing and approving summaries of new services.

2.3.1.6 Reviewing Transition and Migration project status.

2.3.1.7 Discussing what information technology will be acquired during the Contract for the benefit of the State in connection with Contractor's provision of the services.

2.3.2 The Contract Management Team will meet no less than monthly.

2.3.3 The State and Contractor members for Contract Management Team are delineated in the table below:

Contract Management Team	Title
State Chairperson	State Contract Administrator
Contractor Chairperson	Account Executive
State Members	Appropriate OIR management and/or staff
	Appropriate State agency IT management and/or staff
	State Chief Technology Officer
	State Service Delivery Manager
	Others as required
Contractor Members	Contractor Service Delivery Manager
	Portfolio Managers
	Transition/Migration Manager (During the Transition and Migration Period)
	Contractor Chief Technology Officer
	Others as required

2.4 Operational Governance

- 2.4.1 The Executive Steering Committee and Contract Management Team must be supported by day-to-day operational governance activities overseen by Operations Support Team(s).
- 2.4.2 The Operations Support Teams(s) shall meet no less than every two (2) weeks to review service performance and metrics, review on-going Projects and resolve any outstanding operational issues. During the meetings, the Contractor will report, as applicable, on outages (if any) or problems and present actions taken to resolve them.
- 2.4.3 The State and Contractor members for these teams are set forth in the table below:

Operations Support Team	Title
State Chairperson	State Service Delivery Manager
Contractor Chairperson	Contractor Service Delivery Manager
State Members	Appropriate OIR management and/or staff
	Appropriate State agency IT management and/or staff
	Others as required
Contractor Members	Portfolio Managers
	Others as required

3 Roles and Responsibilities of Contractor Account Leadership Team

As of the Service Start Date, the Contractor will assume responsibilities for all Contractor obligations and responsibilities identified in the Contract. Contractor will build an organizational model around providing effective delivery of the services. Such model will include Contractor management of such delivery, and the management group is sometimes referred to herein as the "Contractor Account Leadership Team." The Contractor Account Leadership Team is intended to evolve over time.

The Contractor Account Leadership Team will consist of the following:

3.1 Contractor Account Executive

3.1.1 Contractor Account Executive (C-AE) is the senior point of contact for the State and has overall accountability for customer satisfaction and business performance. The C-AE will fulfill the following key responsibilities:

- 3.1.1.1 Develop and maintain the client relationship at all business levels, with particular focus on senior the State management.
- 3.1.1.2 Manage the overall Contractor planning processes at the State.
- 3.1.1.3 Oversee the Mainframe Services Transition Plan and Mainframe Services Migration Plan to provide a smooth transition and migration of the Mainframe Services.
- 3.1.1.4 Oversee delivery of the Mainframe Services across the State to confirm overall customer satisfaction and timely resolution of issues.
- 3.1.1.5 Provide access to other Contractor entities to bring value to the State.
- 3.1.1.6 Establish and foster an environment of continuous improvement and customer focus.

3.2 Contractor Service Delivery Manager

3.2.1 Contractor Service Delivery Manager (C-SDM) will be responsible for overall Service delivery performance. The C-SDM will have the following key responsibilities:

- 3.2.1.1 Deliver all Services.
- 3.2.1.2 Deliver Services that provide overall service quality.
- 3.2.1.3 Deploy all service delivery processes and procedures, applicable Contractor best practices, and continuous improvement programs to improve efficiencies and effectiveness of service delivery.
- 3.2.1.4 Manage relationships with Third-Party Vendors, including those vendors of Contractor that are providing the services where Contractor does not have a presence.
- 3.2.1.5 Manage the interface to the broader Contractor to leverage resources and skills.
- 3.2.1.6 Support the C-AE to achieve the Services objectives.

3.3 Contractor Chief Technology Officer

3.3.1 Contractor Chief Technology Officer (C-CTO) will be the primary interface to the State's technology and standards groups. The C-CTO's key responsibilities include the following:

- 3.3.1.1 Work with the State and provide leadership to Contractor's supporting organizations and committees to support the State Technical Architecture.
- 3.3.1.2 Work with Contractor research services to track technology and market trends and determine how to leverage those trends for the benefit of the State.
- 3.3.1.3 Identify value add opportunities from Contractor to the State.
- 3.3.1.4 Champion new technology initiatives to advance the State Technical Architecture as it relates to the Services.

- 3.3.1.5 Oversee Contractor's participation and role in the Architecture and standards planning processes, consistent with the State's on-going business requirements, industry technology trends and emerging market opportunities.
- 3.3.1.6 Support the C-AE to achieve the Services objectives.

4 Roles and Responsibilities of the State Governance Team

4.1 State Chief Technology Officer and State Contract Administrator

- 4.1.1 The State Chief Technology Officer (S-CTO) and State Contract Administrator (S-CA) will be thoroughly familiar with and responsible for the on-going management of the Contract. The S-CTO and S-CA have primary responsibility for monitoring of all Contractor deliverables and commitments. Additionally, the role of the S-CTO and S-CA is to manage the overall Contractor and the State relationship to facilitate communications and facilitate timely problem resolution. Other responsibilities of the S-CTO and S-CA are:
 - 4.1.1.1 Provide liaison to Contractor strategic oversight function.
 - 4.1.1.2 Manage the overall relationship with Contractor.
 - 4.1.1.3 Provide leadership to the State Governance Teams.
 - 4.1.1.4 Oversee Contractor's obligations to ensure that Contractor meets the goals and Services objectives of the Contract.
 - 4.1.1.5 Provide leadership to facilitate the resolution of escalated issues and disputes.
 - 4.1.1.6 Monitor Contractor and State compliance with obligations of the Contract.
 - 4.1.1.7 Ensure the State's obligations under the Contract are satisfied.
 - 4.1.1.8 Track fulfillment of deliverables.
 - 4.1.1.9 Oversee the State's ability to audit Contractor processes.
 - 4.1.1.10 Oversee benchmarking activities.
 - 4.1.1.11 Provide single point of contact to resolve issues.
 - 4.1.1.12 Authorize work resulting in additional costs to the State.
 - 4.1.1.13 Evaluate Performance Credits and approve any action plans resulting from Service Level Defaults.
 - 4.1.1.14 Approve, authorize, and oversee all Contract-related policies and procedures.
 - 4.1.1.15 Advise Contractor, as appropriate, as to strategic the State business direction

4.2 Service Delivery Manager

- 4.2.1 State Service Delivery Manager (S-SDM) oversees Contractor's adherence to Service Levels, ensures that the Service Levels are maintained and continually improved, and ensures that problems with the day-to-day delivery of Services are monitored and resolved. It is the responsibility of the S-SDM to:
 - 4.2.1.1 Oversee the use of the State standards and procedures.

- 4.2.1.2 Review and assist in development of project risk mitigation plans.
- 4.2.1.3 Facilitate and coordinate audit and compliance groups to review Contractor processes and procedures.
- 4.2.1.4 Review and monitor Contractor problem management process and escalation procedures.
- 4.2.1.5 Review Contractor's performance.
- 4.2.1.6 Authorize work resulting in additional costs to the State.
- 4.2.1.7 Review Contractor's Service Level reporting to the State.
- 4.2.1.8 Review and monitor Contractor problem management process and escalation procedures and adherence thereto.
- 4.2.1.9 If operational problems occur, review Contractor's recovery and approve permanent fix plans, as appropriate.
- 4.2.1.10 Monitor Contractor's adherence to and testing of Disaster Recovery Services procedures.
- 4.2.1.11 Assist in review of operations-related project estimates and business cases.
- 4.2.1.12 Track and resolve project issues tasks and change orders, as required for the State.
- 4.2.1.13 Review all incident reports negatively effecting Service Levels.
- 4.2.1.14 Review of Project estimates and business cases for new services.
- 4.2.1.15 Oversee that Contractor's documentation relevant to the Contract is kept up to date.

ATTACHMENT I**CONTRACTOR SERVICE REPORTS**

This Attachment contains a description of service-related reports required by OIR and/or the State Agencies to administer the Contract and manage State applications and data. The reports listed in the tables are not meant to be all inclusive and the required reports may change over the Term of the Contract; the Contractor shall provide all reports requested by OIR or the State Agencies to administer the Contract and manage State applications and data, regardless of whether the report is included in this Attachment.

1.0 GENERAL REQUIREMENTS

- 1.1 The Contractor shall notify the designated Recipient contact(s) of report availability via email at the defined Frequency. The email may contain the actual report or the repository location of the report.
- 1.2 The Contractor shall archive all reports in a repository available to the Recipient(s) for a minimum of twenty-four (24) months.

2.0 SYSTEM REPORTS

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
Percentage (%) of uptime report for all SLAs, by Region, LPAR and Specialty Engines. Spreadsheet and Graphic representation	Monthly	OIR	New Report
Remedy Reports for Incidents, Change Requests and Work Orders by severity levels. Spreadsheet and Graphic representation	Monthly	OIR	New Report
Report on CPU and DASD capacity.	Monthly	OIR	New Report
Intrusion detection reports. Firewall and RACF.	Monthly	OIR	New Report
Status Report (Overall System status for the last week).	Weekly	OIR	New Report
Database Reports (Capacity and planning, status, details)	Weekly	OIR	New Report
Root Cause Analysis Report (For any and all outages)	As Needed	OIR	New Report
Standards Guide (Original once completed and updates as needed).	As Needed	OIR	New Report
Master Schedule report (Original once schedule is set and then updates as needed).	As Needed	OIR	New Report
Implementation Report (Report of all scheduled applications and System Software implementations for the following week)	Weekly	OIR, State Agencies	New Report
DISASTER RECOVERY SHIPMENT 1 REPORT	During DR	OIR, State Agencies	AG03Y600
DISASTER RECOVERY SHIPMENT 2 REPORT	During DR	OIR, State Agencies	AG03Y610

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
DISASTER RECOVERY MASTER REPORT	During DR	OIR, State Agencies	AG03Y520
DISASTER RECOVERY MASTER REPORT	During DR	OIR, State Agencies	AG03Y550
YEAR OLD TAPE REPORT	Quarterly	OIR, State Agencies	R66YROLD
TAPE HANDLING BY DEPARTMENT	Daily	OIR, State Agencies	R66OSHND
SCRATCH TAPE FORCAST SUMMARY	Weekly	OIR, State Agencies	R663Y800
TAPE/CART LIBRARY REPORT	Daily	OIR, State Agencies	R663Y810
FILE IDENTIFICATION	Daily	OIR, State Agencies	R663Y830
TAPE UPDATE JOB	On Request	OIR, State Agencies	R66UPDTE
TMS TAPE LISTING	Daily	OIR, State Agencies	AG03Y871
TMS TAPE LISTING BY DEPT/VOLSER	Daily	OIR, State Agencies	AG03Y87A
TMS TAPE LISTING BY DEPT/DSN/VOLSEQ	Daily	OIR, State Agencies	AG03Y87B
SILO SCRATCH UPDATE REPORT	2x a day/ On request	OIR, State Agencies	R66SILOS
TAPE LISTING BY DEPT/VOLSER	Daily	OIR, State Agencies	R66TPLSA
TAPE LISTING BY DEPT/DSN/VOLSEQ	Daily	OIR, State Agencies	R66TPLSB
NUMBER OF TAPES FOR EACH DEPT/PROG	Daily	OIR, State Agencies	R66TPRPT
V-TAPE TAPE REPORT SUMMARY	Daily	OIR, State Agencies	R66VTRPT
X663Y860 BACK-UP/RSTORE THE TMS FILE	Daily	OIR, State Agencies	REPORT-31
TMS HSMB LISTING - DISTRIBUTION,INVENTORY, & PICKING	Daily	OIR, State Agencies	X66BAKVT
HSM DUMP TAPES TO AND FROM VAULT	Daily	OIR, State Agencies	X66DMPVT
TMS HSMM LISTING	Daily	OIR, State Agencies	X66MIGVT

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
TMS VLT0 LISTING	Daily	OIR, State Agencies	X66VAU00
TMS VDR1 LISTING	Daily	OIR, State Agencies	X66VLTD1
TMS VDR2 LISTING	Daily	OIR, State Agencies	X66VLTD2
TMS VDR4 LISTING	Daily	OIR, State Agencies	X66VLTD4
TMS VDR5 LISTING	Daily	OIR, State Agencies	X66VLTD5
VAULT FIVE TAPE BY DSN CRTDT	Daily	OIR, State Agencies	VAULT FIVE
GROUP-41 LIBRARIAN INDEX LISTINGS	Weekly	OIR, State Agencies	AG03A41L
CCF - CNTL/EMER PERSONNEL (AG03J180)	Weekly	OIR, State Agencies	CCFEMER
CCF - MANAGER LIST (AG03J250)	Weekly	OIR, State Agencies	CCFMGR
CCF - PROGRAMS LOGGED OUT	Daily	OIR, State Agencies	CCFPGMLT
CCF -PROGRAMMER LIST (AG03J150)	Weekly	OIR, State Agencies	CCFPGMR
CCF - REQUESTOR LIST (AG03J240)	Weekly	OIR, State Agencies	CCFREQR
CCF - OPEN WORK ORDER LOG (PROGRAMMER ORDER)	Daily	OIR, State Agencies	CCFWOPGM
CCF OPEN WORK ORDER REPORT	Daily	OIR, State Agencies	CCFWORPT
DLISAS REGION IMS1	Daily	OIR, State Agencies	DLISAS1
DLISAS REGION IMS2	Daily	OIR, State Agencies	DLISAS2
DLISAS REGION IMST	Daily	OIR, State Agencies	DLISAS3
DLISAS REGION IMS4	Daily	OIR, State Agencies	DLISAS4
DLISAS REGION IMS5	Daily	OIR, State Agencies	DLISAS5
DLISAS REGION IMS6	Daily	OIR, State Agencies	DLISAS6

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
DLISAS REGION IMS7	Daily	OIR, State Agencies	DLISAS7
PRODUCTION IMS - IMS1	Daily	OIR, State Agencies	IMSVSTP1
PRODUCTION IMS - IMS2	Daily	OIR, State Agencies	IMSVSTP2
TEST IMS - IMS3	Daily	OIR, State Agencies	IMSVSTP3
TRAINING IMS - IMS4	Daily	OIR, State Agencies	IMSVSTP4
SYSTEM TEST IMS - IMS5	Daily	OIR, State Agencies	IMSVSTP5
PRODUCTION IMS - IMS6	Daily	OIR, State Agencies	IMSVSTP6
PRODUCTION IMS - IMS7	Daily	OIR, State Agencies	IMSVSTP7
IMS1 EPILOG REPORT	Daily	OIR, State Agencies	IMS1EPLG
IMS2 EPILOG REPORT	Daily	OIR, State Agencies	IMS2EPLG
IMS6 EPILOG REPORT	Daily	OIR, State Agencies	IMS6EPLG
REPORT3	Daily	OIR, State Agencies	IMS6TERM
REPORT4	Daily	OIR, State Agencies	IMS6TRAN
MIGR - USER ACCEPTANCE - MOVE BIND CONTROL CARDS	As Needed	OIR, State Agencies	MIGAPBCC
MIGR - USER ACCEPTANCE - BIND	As Needed	OIR, State Agencies	MIGAPBND
MIGR - USER ACCEPTANCE - MOVE DBRM MODULES	As Needed	OIR, State Agencies	MIGAPDBR
MIGR - USER ACCEPTANCE - MOVE LOAD MODULES	As Needed	OIR, State Agencies	MIGAPLD
MIGR - PRODUCTION - ABENDAID LISTING	As Needed	OIR, State Agencies	MIGPLIST
MIGR - PRODUCTION - AFP MOVES	As Needed	OIR, State Agencies	MIGPOAFP
MIGR - PRODUCTION - JOBDQC	As Needed	OIR, State Agencies	MIGPOJDC

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
MIGR - PRODUCTION - MOVE BIND CONTROL CARDS	As Needed	OIR, State Agencies	MIGPPBCC
MIGR - PRODUCTION - BIND	As Needed	OIR, State Agencies	MIGPPBND
MIGR - PRODUCTION - MOVE DBRM MODULES	As Needed	OIR, State Agencies	MIGPPDBR
MIGR - PRODUCTION - MOVE LOAD MODULES	As Needed	OIR, State Agencies	MIGPPLD
MIGR - SYSTEM TEST - MOVE BIND CONTROL CARDS	As Needed	OIR, State Agencies	MIGSPBCC
MIGR - SYSTEM TEST - BIND	As Needed	OIR, State Agencies	MIGSPBND
MIGR - SYSTEM TEST - MOVE DBRM MODULES	As Needed	OIR, State Agencies	MIGSPDBR
MIGR - SYSTEM TEST - MOVE LOAD MODULES	As Needed	OIR, State Agencies	MIGSPLD
MIGR - SYSTEM TRAINING - MOVE BIND CONTROL CARDS	As Needed	OIR, State Agencies	MIGTPBCC
MIGR - SYSTEM TRAINING - BIND	As Needed	OIR, State Agencies	MIGTPBND
MIGR - SYSTEM TRAINING - MOVE DBRM MODULES	As Needed	OIR, State Agencies	MIGTPDBR
MIGR - SYSTEM TRAINING - MOVE LOAD MODULES	As Needed	OIR, State Agencies	MIGTPLD
MIGR - WAREHOUSE(DB2W) - MOVE BIND CONTROL CARDS	As Needed	OIR, State Agencies	MIGWPBCC
MIGR - WAREHOUSE(DB2W) - BIND	As Needed	OIR, State Agencies	MIGWPBND
MIGR - WAREHOUSE (DB2W) - MOVE DBRM MODULES	As Needed	OIR, State Agencies	MIGWPDBR
MIGR - WAREHOUSE (DB2W) - MOVE LOAD MODULES	As Needed	OIR, State Agencies	MIGWPLD
MIGR - MISCELLANEOUS - DELETED MODULE LISTING	As Needed	OIR, State Agencies	MIG0DLET
MIGRATION LOG	As Needed	OIR, State Agencies	MIG1MIG1
JOBDOC/AFP MIGRATION LOG	As Needed	OIR, State Agencies	MIG1MIG2
DELETED MODULE LOG	As Needed	OIR, State Agencies	MIG1MIG3

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
DISK DATASETS WITH RACF PROFILES	Semi-Monthly	OIR, State Agencies	USERDDSN
DISK DATASETS WITHOUT RACF PROFILES	Semi-Monthly	OIR, State Agencies	USERDNOR
RACF USER ID SEQUENCE	Semi-Monthly	OIR, State Agencies	USERIDSQ
INFOPAC RACF USERS	Monthly	OIR, State Agencies	USERINFO
LIST OF USERS ON INFOPAC	Daily	OIR, State Agencies	USERLIST
RACF USER ID SEQUENCE	Semi-Monthly	OIR, State Agencies	USERNAME
USERS NO MATCH INFOPAC	Monthly	OIR, State Agencies	USERNOIF
RACF DEPT & PERSONNEL DEPT NOT EQUAL	Monthly	OIR, State Agencies	USERNOPR
NO PERSONNEL RECORD	Monthly	OIR, State Agencies	USERPERS
ROSCOEC RACF USERS	Monthly	OIR, State Agencies	USERROSC
TROSCOE RACF USERS	Monthly	OIR, State Agencies	USERROSD
TROSCOE RACF USERS	Monthly	OIR, State Agencies	USERROST
TAPE DATASETS WITH RACF PROFILE	Semi-Monthly	OIR, State Agencies	USERTDSN
TNXXXGRP USERS BY GROUP	Monthly	OIR, State Agencies	USERTNGP
TAPE DATASETS WITHOUT RACF PROFILES	Semi-Monthly	OIR, State Agencies	USERTNOR
TSOA RACF USERS	Monthly	OIR, State Agencies	USERTSOA
TSOC RACF USERS	Monthly	OIR, State Agencies	USERTSOC
RACF/TSOA TSOC TSOD USER ACCOUNTS	Monthly	OIR, State Agencies	USERTSO1
MONTHLY CICS TRANSACTIONS VIOLATIONS	Monthly	OIR, State Agencies	USRCICMV
WEEKLY CICS TRANSACTIONS VIOLATIONS	Weekly	OIR, State Agencies	USRCICWV

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
MONTHLY RACF DATASET VIOLATIONS	Monthly	OIR, State Agencies	USRDATMV
WEEKLY RACF DATASET VIOLATIONS	Weekly	OIR, State Agencies	USRDATWV
MONTHLY IMS TRANSACTIONS VIOLATIONS	Monthly	OIR, State Agencies	USRIMSMV
WEEKLY IMS TRANSACTIONS VIOLATIONS	Weekly	OIR, State Agencies	USRIMSWV
GENERAL SERVICES VSAM DATA SET SPACE REPORT	Weekly	State Agencies	BACLRPT
GENERAL SERVICES DATA SET SPACE REPORT	Weekly	State Agencies	BAMVDRPT
CORRECTIONS VSAM DATA SET SPACE REPORT	Weekly	State Agencies	BICLRPT
CORRECTIONS DATA SET SPACE REPORT	Weekly	State Agencies	BIMVDRPT
GENERAL SERVICES DATA SET SPACE REPORT	Weekly	State Agencies	CICLRPT
GENERAL SERVICES DATA SET SPACE REPORT	Weekly	State Agencies	CIMVDRPT
HUMAN SERVICES VSAM DATA SET SPACE REPORT	Weekly	State Agencies	DECLDRPT
HUMAN SERVICES DATA SET REPORT	Weekly	State Agencies	DEMVDRPT
R77CLDDG - REVENUE VSAM DATA SET SPACE REPORT	Weekly	State Agencies	DGCLDRPT
R77MVDDG - REVENUE DATA SET SPACE REPORT	Weekly	State Agencies	DGMVDRPT
SAFETY VSAM DATA SET SPACE REPORT	Weekly	State Agencies	DICLRPT
SAFETY DATA SET SPACE REPORT	Weekly	State Agencies	DIMVDRPT
USER HSM DATASETS TO BE SCRATCHED NEXT MONTH	Monthly	State Agencies	HSMDSNDEL
DATASETS SCRATCHED THIS MONTH FROM HSM	Monthly	State Agencies	HSMTHBDEL
IE SPACE USAGE REPORT	Weekly	State Agencies	IECLDRPT
IE SPACE USAGE REPORT	Weekly	State Agencies	IEMVDRPT

COMPTROLLER VSAM DATA SET SPACE REPORT	Weekly	State Agencies	IGCLDRPT
COMPTROLLER DATA SET SPACE REPORT	Weekly	State Agencies	IGMVDRPT
TREASURY VSAM DATA SET SPACE REPORT	Weekly	State Agencies	IICLDRPT
TREASURY DATA SET SPACE REPORT	Weekly	State Agencies	IIMVDRPT
TRANSPORTATION VSAM DATA SET SPACE REPORT	Weekly	State Agencies	JJCLDRPT
TRANSPORTATION VSAM DATA SET SPACE REPORT	Weekly	State Agencies	JJMVDRPT
TNCARE WEEKLY SPACE REPORT	Weekly	State Agencies	TNCSPCRPT
GENERAL SERVICES VSAM DATA SET SPACE REPORT	Weekly	State Agencies	BACLDRPT

3.0 FINANCIAL REPORTS

Report Description	Frequency	Recipient(s)	Current InfoPac Report Name
Summary Billing Report by Agency; as currently produced.	Monthly	OIR	AG03H200A
Detail Billing Report for Batch jobs by Agency; as currently produced.	Monthly	OIR	AG03H200B
VAULT BILLING	Daily	OIR, State Agencies	R66TBILL
TAPE BILLING	Daily	OIR, State Agencies	R66TBILL

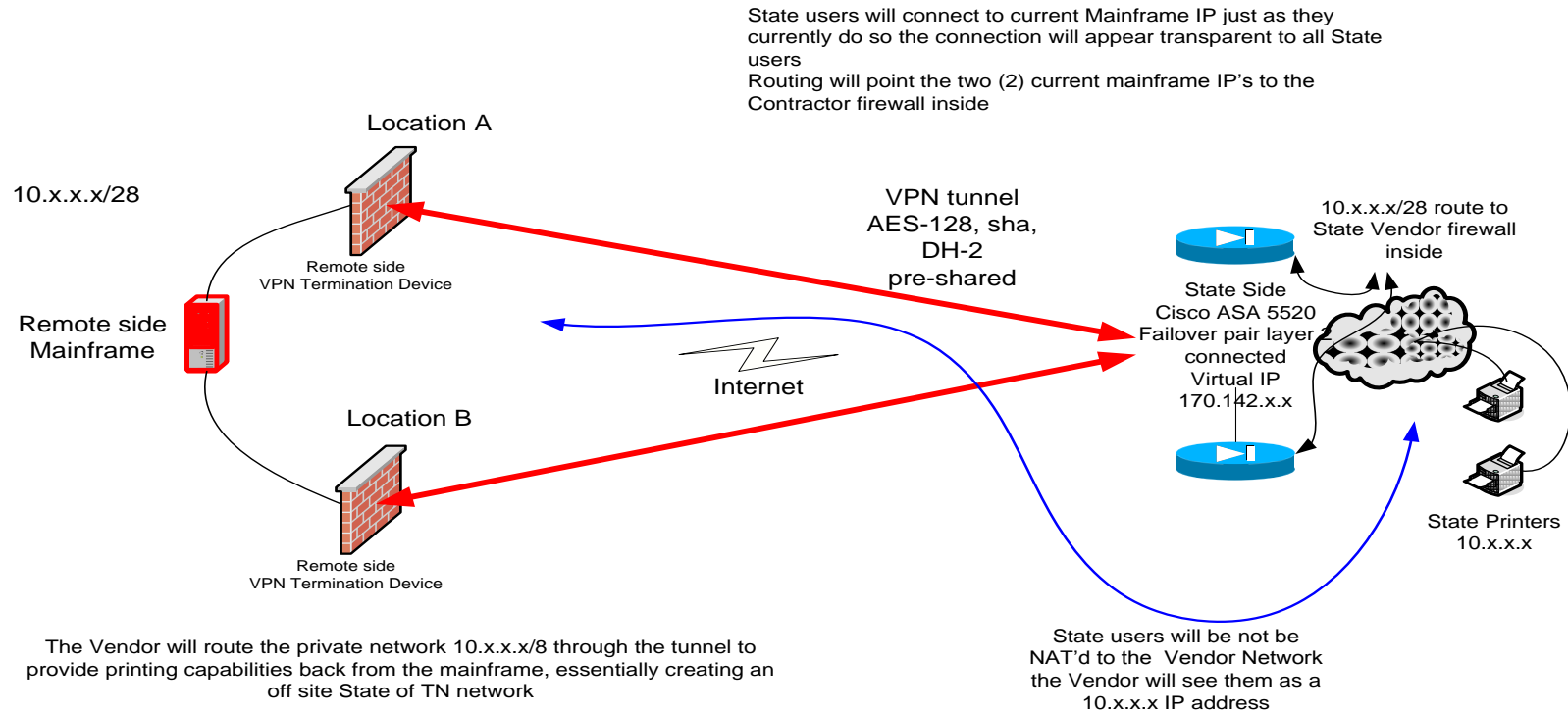
ATTACHMENT J

PROVISIONING TASKS

Provisioning Title	Service Description	Turnaround Time in Hours
Tape Cartridge Purchase	Agencies request to purchase cartridge tape; Operator checks out the cartridge or copies to cartridge and forwards to requesting agency.	18
Tape Scratch and Extend	Agency tape(s) that need to have retention periods changed.	4
Mainframe Storage Data Set Space	Provide requested data set space for all mainframe application needs.	4
VPS Remotes and DRS Node Names	Maintain DRS and VPS control datasets to define/change remote printers and DRS nodes.	18
Teleview Profile Changes	Maintain user menu profiles and logon scripts.	18
Mainframe FTP	File Transfer Program provides file transfer capability to/from off-site/non-State entities or transfer data to/from the mainframe and a distributed or PC platform. This includes setting up ZFS data set and assisting user in setting up the JCL for the data	18
Connect Direct / Cyberfusion	Work with non-state agencies to set up file transfers using these products.	90
CA7 Access	Provides user access to CA7. Also, set up external data set triggers.	8
ADF Access	ADF is a facility within IMS that allows online update access to individual IMS database segments by individual user(s) by Master Transactions. Specific security is granted to each individual segment for which access is requested for the user(s).	8
Roscoe User Account	Add/change ROSCOE user accounts.	8
ViewDirect	Maintain recipient database (User ID and user profile). Maintain report database.	18

MAINFRAME NETWORK.CONNECTIVITY

Outsourced Mainframe Connectivity via Site-to-site VPN



ATTACHMENT L**CURRENT DATA BACKUP SPECIFICATIONS**

- 1** Tapes are driven by dataset name.
 - 8 different types of DR tapes produced and kept
 - 3 are physical tapes
 - 5 are virtual tapes. These tapes will then be backed up to physical tape as prescribed below in item 3.
 - 2** Type of tapes and dataset name.
 - DR1, DR2, and DR4 – Physical Tapes
 - DR0, DR5, DR6, DR7, and DR8 – Virtual Tapes
 - 3** Software used for Backups.
 - FDR. – Fast Dump Restore and DFDSS - DR1, DR2.
 - System application logs (IMS, CICS, SMF) - DR4
 - CA-Vtape – Virtual tape dump to physical tape – DR0, DR5, DR6, DR7, DR8
 - 4** Retention by standards.
 - DR0 – Long Term storage (Expirations ranging from 3 months to 99999999).
 - DR1 – 4 Weeks
 - DR2 – 2 Weeks
 - DR4 – 8 Days
 - DR5, DR6, DR7, DR8 – 15 Days
 - 5** CA-Allocate Code has definitions of Dataset names and tapes. This determines if a dataset is put on physical tape immediately or a virtual tape for later backup to physical tape.
- For items 6 through 10 below, if any data is created on a given day, it must be taken off-site daily; every tape (virtual or physical) that is created before 7:00 AM Central Time must be taken off-site by noon, Central Time that same day.**
- 6** DR7 and DR8 – Are IRS backups for the DHS TCSES application into virtual tape and are backstored to physical tapes separately. These tapes are in a separate tape subpool from all other tapes.
 - 7** DR5.DE93CACC.DB25P.* and DR6.DE93CACC.DB25P.* - Are IRS backups for the DHS ACCENT application and go directly to physical tapes. These tapes are in a separate subpool from all other tapes.
 - 8** DR5.DG30A* and DR6.DG30A – Are IRS backups for Revenue and go directly to physical tapes. These tapes are in a separate subpool from all other tapes.
 - 9** DR1 and DR2 – Weekly backups on Saturday, between 6:00 p.m. and 11:00 p.m. Central Time; consist of all DASD. Daily backups consist of DB2 catalogs, DB2 logs, DB2 data for the DHS TCSES application, system catalogs and other data.
 - 10** DR4, DR5, DR6, DR7 and DR8 – Backed up daily.
 - 11** DR0 – Backed up and taken off-site weekly as needed after dataset created by agencies.

ATTACHMENT M**LIQUIDATED DAMAGES**

- 1 Failure to Restore Mainframe Services After a Disaster.** Failure by the Contractor to restore the State's Mainframe Services, after a Disaster is declared, within the timeframes specified below could result in significant and cumulative hardship for the citizens of the State. Therefore, in order to protect interests of the State's citizenry and to encourage adequate Contractor performance, the State may assess damage amounts, to be paid by the Contractor to the State, in the event of the Contractor's failure to perform, as follows:

Metric	Damage Assessment Amount
i. Failure by the Contractor to restore mainframe operations within twenty-four (24) hours of notice by the State ("Event Failure Point 1")	\$50,000 per each failure event
ii. Failure by the Contractor to restore mainframe operations within twenty-four (24) hours after the lapse of the restoration time frame for Event Failure Point 1, and the same failure continuing for each subsequent twenty-four (24) hour period.	\$100,000 per each 24-hour period that the failure continues.

- (1) While the Contractor is providing the Mainframe Services within the State's Data Center, the Contractor will use the State's current Infrastructure Disaster Recovery (DR) contract. This DR contract requires the DR Contractor to provide a fully functioning mainframe environment, ready for the State to begin its recovery operations, by no later than forty-eight hours after notification by the State of a Disaster event. Prior to the completion of the Mainframe Services Migration, the Mainframe Services Contractor is subject to this lead time. In the event of a Disaster while the Mainframe Services are provided in the State's Data Center, the "clock will not start ticking" on the Contractor, for Event Failure Point 1, until the DR Contractor notifies the State that the DR mainframe environment is ready and the State passes along this notification to the Mainframe Services Contractor.
- (2) The damage assessments detailed above shall not apply if the Contractor demonstrates, and the State agrees, that the Contractor's failure to perform is the result of a failure on the part of the State to fulfill its obligations with regard to the work in question.
- (3) In the event that damages are assessed, the Contractor's payment to the State may be in the form of a credit against any amount owed by the State to the Contractor, or direct compensation to the State, at the State's sole discretion.
- 2 Unauthorized Removal of Key Personnel.** The unauthorized removal of Key Personnel by the Contractor, while those personnel are still actively employed or subcontracted by the Contractor, shall be subject to the liquidated damages detailed in the table below. Such liquidated damages shall not apply if the removal was for one of the following causes: (1) termination of employment or other form of working relationship, such as a subcontract with the Contractor or one of its subcontractors; (2) incapacitation; (3) removal of personnel for violations of the Contractor's employment policies; (4) legally mandated and protected leave, such as Family Medical Leave; (5) illness; or (6) death.

Key Contractor Personnel	Minimum Time Commitment	Damage Amount
Contractor Service Delivery Manager (original individual)	For twenty-four (24) months from the Contract Start Date	\$50,000 per occurrence

Contractor Service Delivery Manager (any replacement individual)	For twenty-four (24) months from the assignment date of the individual	\$50,000 per occurrence
Contractor Transition/Migration Manager (original individual or any replacement individual)	Until State Written Approval of Completed Migration to Contractor Data Center	\$50,000 per occurrence

In the event that damages are assessed, the Contractor's payment to the State will be in the form of a credit against any amount owed by the State to the Contractor, or direct compensation to the State; compensation method will be at the State's sole discretion.

GLOSSARY

1 INTRODUCTION

This document contains common terms and acronyms that may be included in the RFP and/or Contract, or are otherwise common terms in the IT industry.

Term / Acronym	General Meaning
24x7	Means support provided as part of the Services during the time period 24 hours per day, 7 days per week. In the event that "x365" is added to the term, this means that the service must be provided continuously throughout the year, including holidays.
ABEND(s)	ABnormal ENDing(s)
C-SDM	Contractor Service Delivery Manager
CIMS	Computer Installation Management System
CPO	The State's Central Procurement Office
CPU	Central Processing Unit
DASD	Direct Access Storage Device
DB	Defined Benefit
DBA	Database Administrator/Administration
DBMS	Database Management System
DHS	Department of Human Services
DNS	Domain Name System
FTP	File Transfer Protocol
IMS	Information Management System
IP	Internet Protocol
IS	Information Services
IT	Information Technology
LAN	Local Area Network
NCP	Network Control Program
NetView	A Tivoli product that enables centralized/distributed network management across multiple operating systems and protocols.
OIR	Office for Information Resources
OSD	OIR Service Desk
PC(s)	Personal Computer(s)
RAM	Random Access Memory
RFP	Request for Proposal
S-SDM	State Service Delivery Manager

Term / Acronym	General Meaning
SAN	Storage Area Network
SDM	Service Delivery Management
SMF	Systems Management Facility
SNA	Systems Network Architecture
SSN	Social Security Number
SYSGEN(s)	System Generation
TCP	Transmission Control Protocol
VPN	Virtual Private Network
VTAM	Virtual Telecommunications Access Method
WAN	Wide Area Network
WWW/Web	World Wide Web

RFP ATTACHMENT 6.8

IN-HOUSE DEVELOPED PROCEDURES

The following table lists In-House Developed Procedures used by both OIR and the State Agencies for application and System administration purposes. Contractor responsibilities related to these procedures are defined in Contract Section A.10.c.

In-House Developed Software	Description	Development Platform
PROD Move	Program, plan and package moves to different environments from development. Contains over 50 Clists and RPF's.	TSO Clist ROSCOE RPF
POP.Ca7(RPFs)	Utility to send run sheets, job data sheets, request for System resources and JCL transfer	ROSCOE RPF
CA.TIMS	Tape management system	ROSCOE RPF
ADFMENU	ADF UTILITIES	CLIST/RPF
APPRAISE	REVIEW ROSCOE LIBRARY	CLIST/RPF
BLKSIZE	CALCULATE CART/DISK BLKS	CLIST/RPF
BUILD	Build Default libraries for compiles and JCL	CLIST/RPF
CCFMENU	CCF UTILITIES	CLIST/RPF
CHECKLIB	CHECK SETSSI – Display's compile dates across multiple platforms	CLIST/RPF
CICS	CICS COMPILE	CLIST/RPF
COBOL	COBOL COMPILE	CLIST/RPF
COPYLIB	IMPORT & SAVE COPY – Imports to AWS from copylibs	RPF
DBA	DBA REQUEST SYSTEM	CLIST/RPF
DB2APACK	CREATE PACK CONTROL MEM	CLIST/RPF
DB2APLAN	CREATE PLAN CONTROL MEM	CLIST/RPF
DELETE	DELETE ROSCOE MEMBER(S)	CLIST/RPF
EASYPLUS	EASYTRIEVE COMPILE	CLIST/RPF
EDIT	GLOBAL change in your Roscoe work space	RPF
FETCH	FETCH SELECTED MBR	CLIST/RPF
IMPORT	IMPORT to AWS from Libraries for Roscoe	RPF
JOBS	DISPLAY MULTIPLE JOBS	CLIST/RPF
TUTORIAL	ROSCOE TUTORIAL	CLIST/RPF
LIBPRINT	LIST LIBRARIAN MEMBER	CLIST/RPF
LIBSHARE	GET & PUT LIBSHARE	CLIST/RPF
PRTFORMS	PRINT PROGRAM BOOK FORMS	CLIST/RPF
RESROS	RESTORE ROSCOE MEMBER	CLIST/RPF
SCHEDULE	CHECK MACHINE SCHEDULE	CLIST/RPF
SDMENU	Menu for Application Programming Functions	CLIST/RPF
JOBDOC	Prepares JCL, Procs and Jobs for Migration run before PRODMOVE	CLIST/RPF
LISTCTL	LIST Control Card Members	CLIST/RPF
MENU	MENU & JOB DISPLAY	CLIST/RPF
PRINT	ROSCOE MEMBER PRINT	CLIST/RPF

PRODMOVE	LIBRARY AUTHORIZATION	CLIST/RPF
PRTSPEC	PRINT PROGRAM SPEC	CLIST/RPF
PUTLIB	EXPORT TO LIBRARIAN	CLIST/RPF
SECURITY	RACF SECURITY	CLIST/RPF
SORTWORK	CALUCLATE SORTWK SIZE	CLIST/RPF
TSOPUT	EXPORT TO TSO PDS	CLIST/RPF
UPDTCOPY	UPDATE SYS1.COPYLIB	CLIST/RPF

RFP ATTACHMENT 6.9

CURRENT STATE MAINFRAME ENVIRONMENT OVERVIEW

Hardware Information	State Mainframe Environment
Processor type and model	IBM 2094-S08-507
Peak MIPS capacity requirement	2273 (current maximum)
Average MIPS utilization percentage per month during peak hours (7am – 5pm Mon-Fri)	95%
Peak MIPS utilization percentage per month during peak hours (7am – 5pm Mon-Fri)	95-100%
Anticipated MIPS growth	5% Growth
Special features in use	zIIP, 32 GB memory
DASD (Disk Storage)	State Mainframe Environment
DASD device	IBM 2105-800 (quantity of 2); all mainframe data contained on these devices and separate from other State data
Amount of DASD on the System including Operating System; Allocated space; Free Space, Spare Volumes	24 TB / 14 in use. The other 10 is used for Flash Copies for backup purposes.
Planned DASD growth per year	2%
Flash Copy used	Yes
Data Mirroring used	No
Tape Information	State Mainframe Environment
Tape (Slots)	
Current number of volumes in the tape library (numbered slots) by media type	9840-C (12,500) / 10TK (140)
Projected percentage tape slot growth	2% growth
Number and Type of Tape Transports	9840C (40) / 10TK (4) / 3590 (8) (read only)
Automated Tape Library	SL8500 / STK Oracle
Virtual Tape System	CA-VTAPE
Tape Mounts	
Average number of tape mounts per month	145,000 to 150,000
Estimated amount of data on physical Tape (GB) Per Tape	40 GB; 3:1 compression ratio, 12,500 tapes.

Anticipated Tape Mount growth	2%
Systems Information	State Mainframe Environment
Number of LPARs	4 (Production, ACCENT, Technology, Development)
Total number allocated MIPS per LPAR	70 % Production; 15% ACCENT; 2 % Technology; 13% Development
Total amount of Memory allocated per LPAR	13GB Production; 4GB ACCENT; 5GB Technology; 7GB Development
Sysplex, Coupling Facilities or GDPS environments	Basic SYSPLEX between Production and ACCENT
Number of zIIP engines	1
Number of zAAP engines	0
Number of IFL engines	0
Estimated number of 3 rd party vendor Service Desk Calls per month on the system hardware	40
Number of CICS Regions	8 Production; 1 Technology; 6 Development
Number of DB2 Subsystems	2 Production; 1 Technology; 3 Development
Number of IMS Control Regions	3 Production; 1 ACCENT; 1 Technology; 3 Development
Number of IMS Message Regions	50 Production; 35 ACCENT; 2 Technology; 22 Development
Other Database Subsystems	DATACOM For CA11
Linux (native) support required	No
zVSE OS hosting required	No
JES3 installed	No
Approximate number of software products installed (applications and middleware)	260
Current Version Release of Mainframe Operating System	1.13
Estimated number hours per month used to support the mainframe including upgrades, break/fix, and regular maintenance	1950
Channel Attached Printers	None
Other Channel Attached Devices (not including any 37xx, 3x74's)	2 VISARA; 4 Channels

Print routed to a 3 rd party print provider	Routed to the State's Print Services Disaster Recovery contractor (SunGard) during (1) Disaster Recovery Services testing or (2) a disaster at State Data Center North
Usage, Users, and Security	State Mainframe Environment
Approximate number of end users accessing the mainframe	38,000
Security product	RACF
Estimated number of security changes requested each month (User authorization, password resets)	OIR Service Desk resolves when possible; approximately 20 per month are routed to mainframe support personnel
Approximate number of installed mainframe applications (including both production applications and legacy applications used for archival and audit purposes)	60
Approximate number of Production CICS transactions per week (Monday through Friday)	6.6 Million – Production
Approximate number of Production and ACCENT IMS transactions per week (Monday through Friday)	11.2 Million – Production 18.6 Million – ACCENT
Approximate number of Production DB2 transactions per day (Monday through Friday)	16.7 Million - Production
Approximate number of State Agency submitted Batch jobs per week (Sunday through Saturday)	36,000 – Production 3,800 – Accent 7,100 – Development
Approximate number of CA7 submitted Batch jobs per week (Sunday through Saturday)	10,700 – Production
Maintenance Windows	State Mainframe Environment
Maintenance window for Production	2 nd Sunday each month; typical testing 4 am to 6 am (CST); long term testing 1 am to 6 am (CST) with approval
Maintenance window for Development	Any day; 4 am to 6 am (CST)
Maintenance window for Technology	Any day; any time
Network Services	State Mainframe Environment
Current network communications	TCP IP / Some Enterprise Extender
Required connectivity to 3 rd party providers	Yes; see Contract Section A.8 Connectivity Requirements

RFP ATTACHMENT 6.10

CURRENT MAINFRAME THIRD-PARTY SOFTWARE

1 THIRD-PARTY SOFTWARE

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
Allen Systems Group	22792	TMON/CICS	Monitor for CICS	yes	yes	no
		TMON/DB2	Monitor for DB2	yes	yes	no
		TMON/IMS	Monitor for IMS	yes	yes	yes
		TMON/MVS	Monitor for mainframe operating systems	yes	yes	yes
		VIACENTER (VIASMARTEDIT, VIASMARTTEST)	Test tools for CICS, IMS, and Batch	no	yes	no
PKWARE	20517	PKZIP/MVS	Data compression for file transfer to workstations running PKZIP.	yes	yes	yes
BMC	19691	3270 SUPEROPTIMIZER/CICS	Optimizes 3270 data streams for CICS.	yes	yes	no
		3270 ULTRAOPTIMIZER/IMS	Optimizes 3270 data streams for IMS.	yes	yes	yes
		DELTA/IMS	IMS dynamic configurator for programs, control blocks, data base, terminal, printer definitions.	yes	yes	yes
		MAXM REORG/EP for IMS	High performance tools for IMS data base reorganizations.	yes	yes	yes
Computer Associates	19302	AION (ADS HPO)	High performance option development tool for expert/knowledge-based systems.	yes	no	no

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
		AION (ADS)	Development tool for expert/knowledge-based systems (limited licenses since only used for Correction TOMIS application)	yes	yes	no
		ALLOCATE	Drives rules-based allocation of mainframe data sets.	yes	yes	yes
		CA-1 (Tape Mgmt.)	Tape Management.	yes	yes	yes
		CA-11 (Restart)	Restart/recovery for Batch (non-data base) jobs.	yes	yes	yes
		CA-7 (Scheduler)	Scheduler.	yes	yes	yes
		CA-Copycat	Tape copy utility	no	yes	no
		CA-Disk	Disk space manager	yes	yes	no
		CA-LIBRARIAN	Librarian Base	yes	yes	yes
		CA-LIBRARIAN/ELIPS	Change management and library management.	yes	yes	yes
		CA-LIBRARIAN/LAM	Librarian Access Method	yes	yes	yes
		CA-TELEVIEW	Multisession for TN3270 sessions.	yes	yes	yes
		CA-XCOM for MVS/CICS	Data transfer utility	yes	yes	yes
		CA:Gen	Application generator (CASE tool).	yes	yes	no
		EZ+	4th Generation Language/report writer	yes	yes	yes
		EZ+/DB2		yes	yes	yes
		EZ+/IMS		yes	yes	yes
		EZ+/TOOLKIT		yes	yes	yes
		FILESAFE	CICS recovery tool using CICS logs.	yes	yes	no
		CA Unicenter	DB2 Data base administration tools.	yes	yes	no
		ROSCOE	Online editor for developers and agency support.	yes	yes	yes

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
		TELON	Development tool--generates COBOL (limited licenses since used for less than 32 developers.)	no	yes	yes
		VANTAGE	Reporting tool for direct access storage devices.	yes	yes	no
		VTAPE	Virtual Tape Subsystem	yes	yes	yes
Chicago Soft	18768	MVS/QUICK-REF	Online mainframe documentation.	yes	yes	yes
Compuware	22973	ABENDAID Base	Formating and auto-diagnosis tool (base and TSO interface) for dump analysis.	yes	yes	yes
		ABENDAID for DB2	Formating and auto-diagnosis tool (DB2) for dump analysis..	yes	yes	no
		ABENDAID for IMS	Formating and auto-diagnosis tool (IMS) for dump analysis..	yes	yes	yes
		CICS ABENDAID	Formating and auto-diagnosis tool (CICS) for dump analysis..	yes	yes	no
		CICS ABENDAID FOR DB2	Formating and auto-diagnosis tool (CICS DB2) for dump analysis..	yes	yes	no
		FILEAID/IMS	Tool for building and updating IMS data bases.	no	yes	no
		FILEAID/MVS	Tool for building and updating VSAM files.	yes	yes	no
		Shared Services	Common components for Compuware products	yes	yes	yes
DBT Group	23719	COMPRESS/IMS	Data compression for IMS data bases.	yes	yes	yes
DCR / Data Vantage	28975	DATAVANTAGE	IMS development/test /reporting tool.	yes	yes	yes
DSIMS	18963	DSIMS	IMS data dictionary.	yes	no	no
Fischer	28035	IOF	Interactive output facility for TSO.	yes	yes	yes

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
GROUP 1 (Pitney Bowes)	29101	FINALIST and CICS and IMS online access	Address correction software	yes	yes	yes
		MAILERS CHOICE	Mailing software.	yes	yes	yes
IBM	32873	ACF/NCP NTuneMon	Network tuning aid.	n/a	n/a	n/a
		ACF/NCP/NTuneNCP	Network tuning aid.	n/a	n/a	n/a
		ACF/SSP	Network tuning aid.	no	yes	no
		ADF FACILITY	Application Development Facility	yes	yes	yes
		BTS	IMS testing tool (Batch Terminal Simulator)	no	yes	no
		C/C++ COMPIILER	Compiler.	yes	yes	yes
		CICS	Customer Information Control System (Online System)	yes	yes	no
		Cobol for OS/390 and VM	Compiler.	yes	yes	yes
		DATA BASE TOOLS	Utilities for management of IBM and IMS.	yes	yes	yes
		DB2	Relational data base.	yes	yes	no
		DB2 Utilities	Required for DB2 subsystem.	yes	yes	no
		DCF	Document composition facility.	yes	yes	no
		DFSMSDfp, DFSMSdss, DFSMSHsm	Data Facility data set services and hierarchial storage manager.	yes	yes	yes
		EREP	Error reporting utility for systems hardware.	yes	yes	yes
		GDDM	Mainframe graphics.	yes	yes	yes
		HCF	Host Command Facility (for AS400)	yes	no	no
		High Level Assembler	Assembler language compiler.	yes	yes	yes
		ICFRU	catalog recovery utility	yes	yes	yes
		ICKDSF	Data set utility	yes	yes	yes
		IMS CONNECT	Bridge between Window and IMS transaction subsystem.	yes	yes	no
		IMS DB/DC	Information Management Systems database/data communications.	yes	yes	yes

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
		ISPF	TSO structured development facility.	yes	yes	yes
		IXFP	Storage management for RAMAC Virtual Array (DASD)	yes	yes	yes
		LE/370	Run time libraries for Assembler, COBOL, C++, etc.	yes	yes	yes
		NETVIEW	network tool	yes	yes	yes
		NETVIEW Performance Monitor	network tool	yes	yes	yes
		OGL/370	Overlay generation language (for IBM printers).	yes	yes	yes
		PPFA/370	Page printer formatting aid.	yes	yes	yes
		PSF	Print Service Facility (licensed by printer points.)	yes	yes	yes
		PSF AFP Upload	Loads PSF data into JES queue.	yes	yes	yes
		QMF	Query facility for DB2.	yes	yes	no
		RACF	Resource Access Control Facility (mainframe security system)	yes	yes	yes
		REXX Compiler & Library	Programming language.	yes	yes	yes
		RMF	Resource Management Facility--performance data for mainframe operating system.	yes	yes	yes
		SMP/E	System Maintenance Program--used for maintaining all major mainframe components including zOS, IMS, CICS, DB2, etc.	yes	yes	yes
		Sonoran San Serif Fonts	PSF Fonts	yes	yes	yes
		Sonoran Serif Fonts	PSF Fonts	yes	yes	yes
		TSO	Time Sharing Option	yes	yes	yes
		TSO PC FILE TRANSFER	File transfer using TSO.	yes	yes	yes

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
		z/OS	Main operating system (includes JES2)	yes	yes	yes
		HOURGLASS 2000	Program date simulator.	no	yes	no
		MOVE for DB2	Moved DB2 data between tables (archival, production to systems test, etc.)	yes	yes	no
		RACF TOOLKIT	Tools that simplify management of RACF system.	yes	yes	no
Information Builders	21093	IWAY (EDA) Server	Subsystem for ad hoc query and reporting against DB2 and IMS.	yes	yes	no
Informatica	23316	SSA-Name3	Name search software	yes	yes	no
INFOTEL	19356	INFOPAK	VSAM data compression.	yes	yes	no
Innovation	29574	FATS	Tool for analysis of mainframe tapes.	yes	yes	yes
		FDR	Fast dump/restore--used for full volume backup/restores and generally non-data base data.	yes	yes	yes
		FDR/Compaktor	Compacts mainframe DASD volumes.	yes	yes	yes
		FDR/PAS	Real time Fast Dump/Restore.	yes	yes	yes
Levi, Ray, & Shoup	25167	DRS	Mainframe print software that drives remote printers (SNA and IP).	yes	yes	yes
		VPS	Mainframe print software that drives remote printers (SNA and IP).	yes	yes	yes
		VMCF	Online printer mangement tool	yes	yes	yes
ASG Mobius	24301	VIEW DIRECT (INFOPAC/JCL)	Online (and browser-based) viewing of printout.	yes	yes	yes
		VIEW DIRECT (INFOPAC/RDS)	Online (and browser-based) viewing of printout.	yes	no	no

Vendor	Edison Contract Number	Software	Description	Installed LPARS		
				Production	Development	Accent
MVS Solutions	29385	MVS THRUPUT MANAGER	Software that integrates with JES and zOS to manage and enhance Batch thruput. (Mellon mods)	yes	yes	yes
Proquire LLC (Accenture)	20965	INSTALL1	CASE tool.	yes	yes	no
Rocket Software	24142	CATALOG SOLUTIONS	Catalog management tools.	yes	yes	no
		PERFORMANCE ESSENTIALS (VSAM Quick Index and VSAM I/O Plus)	Software to enhance performance of VSAM files.	yes	yes	no
SAS Institute	27225	SAS & SAS/ETS & SAS/STAT	Statistical Analysis System.	yes	yes	yes
Sterling	N/A	Connect*Direct	Data transfer software (provided to States by J P Morgan)	yes	no	no
Sun Oracle	582	SILO (HSC)	Host Systems Component used to interface between zOS and the SILOs (included with maintenance charges for SILO hardware)	yes	yes	yes
SYNCSORT Inc.	29578	SYNCSORT	Mainframe sort utility.	yes	yes	yes
Xerox X	19359	XPAF	XEROX printer management Facility	yes	yes	yes

2 THIRD-PARTY SOFTWARE CUSTOMIZATIONS

The following table lists third-party software products, which have been customized by OIR support staff for State purposes. Proposers should consider this information in regard to their responsibilities related to Third-Party Software, as defined in Contract Section A.10.b.

Third-Party Software	Customization
View Direct	User Exit Changes to match RACF rules for OIR.
BMC	Delta IMS modifications for user signon and user logon.

Install/1	Major modifications made for compiles based on Corrections and Revenues needs. Changes also made to Clist, copybooks, DBRM, Messages, Loadlibs, Source code, TSO Panels, Procs and skeleton JCL.
Ca-OPS	Predecessor and Successor rules for started tasks and IPL procedures.
IBM Software	
RACF Admin	User Exits for OIR Standards and CICS transactions for Agencies Use
ALLOC(Rules)	Allocation Rules for datasets based on OIR standards.
SMS(Rules)	Allocation Rules for VTape based on OIR standards.
TM Admin	Job submission Rules for ThruPut Manager based on OIR Standards
IMS Software	
DFSAOUE0	IMS AUTO OPERATOR EXIT
DSFARCH1	IMS BILLING
DFSCCMD0	IMS COMMAND AUTH EXIT
DFSCMTU0	IMS MSC EXIT - TOPS TRANS
DFSCSGN0	IMS COMMUNICATION SIGNON EXIT
DFSCTRNO	IMS TRAN AUTH EXIT
DFSINDX0	SPARSE SEC INDEX FOR SAFETY
DFSINDX2	TREASURY SPARSE INDEX
DFSINDX3	TREASURY SPARSE INDEX
DFSTE001	IMS TERMINAL INPUT EXIT
DFST002	IMS TERMINAL OUTPUT EXIT
DFSYPRX0	IMS PRE-ROUTING EXIT
HDCNVRT1	IMS HDAM RANDOMIZING ROUTINE
HDCNVRT2	IMS HDAM RANDOMIZING ROUTINE
HWSYDRU0	IMS DEST. RESOLUTION EXIT
WGDB04E2	ACCENT SPARSE INDEX
WGDB12E1	ACCENT SPARSE INDEX

WGDB13E1	ACCENT SPARSE INDEX
DB00002	IMS ID for BMP
DB00005	PRESERVE EXTENDED DATA STREAM FOR TELEVIEW
DB00008	SET NULL TO SPACES

CURRENT MAINFRAME HARDWARE

Equipment Type	Vendor	Model	Serial	Edison Contract #
Processor	IBM	2094-S08-507	001570A	1056
DASD	IBM	2105-800	0025153	1056
DASD	IBM	2105-800	0028485	1056
3590-Controller	IBM	3590-A60	0046502	1056
3590-Controller	IBM	3590-A60	0046504	1056
Cartridge Drive	IBM	3590 E1A	0050224	1056
Cartridge Drive	IBM	3590 E1A	0050451	1056
Cartridge Drive	IBM	3590 E1A	0050710	1056
Cartridge Drive	IBM	3590 E11	00F0622	1056
Sysplex Timer	IBM	9037	0030586	1056
Sysplex Timer	IBM	9037	0030587	1056
Cabinet	IBM	7014	00B404C	1056
Cabinet	IBM	7014	00B406C	1056
Modular Library System	ORACLE	SL8500	516000102394	582
Cartridge Drive	ORACLE	9840 (40 Drives)	N/A	582
Cartridge Drive	ORACLE	T10K (4 Drives)	N/A	582
Encryption Station	ORACLE	Sun Ultra	01000503	582
Fiber Switch	ORACLE	Brocade 48K	QV060008537	582

RFP ATTACHMENT 6.12

CURRENT THIRD PARTY CONTRACTS

Vendor	Edison Contract Number	Contract Expiration Date	Payment Schedule	Date Last Payment Was or Will Be Made as of March 2013	Actual or Estimated Amount Last Payment Made or To Be Made as of March 2013	Date Next Payment Due After March 2013	Actual or Estimated Amount Next Payment After March 2013	Cancellation Terms
Software Contracts								
IBM MLC	32873	2013/08/31	Monthly	March-13	\$353,750.00	April-13	\$353,750.00	Ninety (90) day cancellation notice
			Yearly	May-12	\$65,805.00	May-13	\$65,805.00	
			Yearly	June-12	\$88,758.00	June-13	\$88,758.00	
			Yearly	September-12	\$23,400.00	September-13	Will require new contract	
			Yearly	December-12	\$21,212.00	December-13	Will require new contract	
			Yearly	February-13	\$21,212.00	February-14	Will require new contract	
IBM Softwareexcel	32865	2013/08/31	Monthly	March-13	\$14,759.32	April-13	\$14,759.32	Ninety (90) day cancellation notice
Chicago Soft	18768	2013/04/30	Yearly	April-12	\$15,477.00	April-13	Will require new contract	Ninety (90) day cancellation notice
Circle Computer Group	20730	2014/05/31	Yearly	May-12	\$27,782.00	May-13	\$27,782.00	Ninety (90) day cancellation notice
EMTEX (Xerox)	20789	2014/05/31	Yearly	May-12	\$27,742.01	May-13	\$27,742.01	Ninety (90) day cancellation notice
Proquire LLC (Accenture)	20965	2015/06/14	Yearly	May-12	\$112,380.00	June-13	\$112,380.00	Ninety (90) day cancellation notice

Vendor	Edison Contract Number	Contract Expiration Date	Payment Schedule	Date Last Payment Was or Will Be Made as of March 2013	Actual or Estimated Amount Last Payment Made or To Be Made as of March 2013	Date Next Payment Due After March 2013	Actual or Estimated Amount Next Payment After March 2013	Cancellation Terms
Software Contracts								
SAS Institute	27225	2015/06/30	Yearly	June-12	\$197,832.00	June-13	\$197,832.00	Ninety (90) day cancellation notice
DSIMS	18963	2015/07/31	Yearly	July-12	\$4,850.00	July-13	\$4,850.00	Ninety (90) day cancellation notice
Allen Systems Group	22792	2014/08/31	Yearly	August-12	\$299,223.00	August-13	\$299,223.00	Ninety (90) day cancellation notice
Information Builders	21093	2014/08/31	Yearly	August-12	\$250,757.00	August-13	\$250,757.00	Six (6) month cancellation notice
INFOTEL	19356	2015/08/31	Yearly	August-12	\$16,000.00	August-13	\$16,000.00	Ninety (90) day cancellation notice
PKWARE	20517	2015/08/31	Yearly	July-12	\$16,081.95	August-13	\$16,081.95	Ninety (90) day cancellation notice
XPAF (Xerox)	19359	2013/09/30	Yearly	September-12	\$8,160.00	September-13	Will require new contract	Ninety (90) day cancellation notice
Informatica	23316	2014/09/30	Yearly	September-12	\$73,214.13	September-13	\$73,214.13	Ninety (90) day cancellation notice
Fischer	28035	2015/09/30	Yearly	September-12	\$5,600.00	September-13	\$5,600.00	Ninety (90) day cancellation notice
DCR / Data Vantage	28975	2015/09/30	Yearly	September-12	\$119,527.00	September-13	\$119,527.00	Ninety (90) day cancellation notice
DBT Group	23719	2014/10/31	Yearly	October-12	\$6,352.50	October-13	\$6,352.50	Ninety (90) day cancellation notice

Vendor	Edison Contract Number	Contract Expiration Date	Payment Schedule	Date Last Payment Was or Will Be Made as of March 2013	Actual or Estimated Amount Last Payment Made or To Be Made as of March 2013	Date Next Payment Due After March 2013	Actual or Estimated Amount Next Payment After March 2013	Cancellation Terms
Software Contracts								
GROUP 1 (Pitney Bowes)	29101	2015/11/30	Yearly	November-12	\$37,732.00	November-13	\$37,732.00	Ninety (90) day cancellation notice
Compuware	22973	2014/12/31	Yearly	December-12	\$240,000.00	December-13	\$240,000.00	Ninety (90) day cancellation notice
Rocket Software	24142	2014/12/31	Yearly	December-12	\$51,832.46	December-13	\$51,832.46	Ninety (90) day cancellation notice
MVS Solutions	29385	2015/12/31	Yearly	December-12	\$55,642.00	December-13	\$55,642.00	Ninety (90) day cancellation notice
ASG Mobius	24301	2014/01/31	Yearly	January-13	\$131,675.00	January-14	Will require new contract	Six (6) month cancellation notice
SYNCSORT Inc.	29578	2015/01/31	Yearly	January-13	\$19,231.00	January-14	\$19,231.00	Ninety (90) day cancellation notice
Innovation	29574	2016/01/31	Yearly	January-13	\$24,989.80	January-14	\$24,989.80	Ninety (90) day cancellation notice
Computer Associates	19302	2013/02/19	Yearly	February-12	\$2,952,480.00	February-14	Will require new contract	Ninety (90) day cancellation notice
BMC	19691	2013/03/30	Yearly	March-12	\$498,000.00	March-14	Will require new contract	Ninety (90) day cancellation notice
Pacific Systems Group	24314	2015/03/31	Yearly	March-13	\$2,780.00	March-14	\$2,780.00	Ninety (90) day cancellation notice
Levi, Ray, & Shoup	25164	2015/03/31	Yearly	March-13	\$136,824.00	March-14	\$136,824.00	Ninety (90) day cancellation notice

Vendor	Edison Contract Number	Contract Expiration Date	Payment Schedule	Date Last Payment Was or Will Be Made as of March 2013	Actual or Estimated Amount Last Payment Made or To Be Made as of March 2013	Date Next Payment Due After March 2013	Actual or Estimated Amount Next Payment After March 2013	Cancellation Terms
Hardware Contracts								
IBM Mainframe Maintenance	1056	2013/06/30	Monthly	March-13	\$60.96	February-13	\$60.96	Ninety (90) day cancellation notice
			Quarterly	January-13	\$127,419.21	April-13	\$127,419.21	
Oracle Hardware Maintenance	TBD	TBD	Yearly	July-12	\$123,595.00	July-13	State establishing new contract	State must keep contract; used for non-mainframe related purchases
Other Contracts								
Infrastructure Disaster Recovery (SunGard)	33218	2015/07/31	Monthly	March-13	\$20,640.00	April-13	\$20,640.00	State must keep contract; used for non-mainframe related purchases
Off-Site Tape Storage (Iron Mountain)	27588	2015/07/31	Monthly	March-13	\$5,500.00	April-13	\$5,500.00	State must keep contract; used for non-mainframe related purchases

Notes:

The State is currently working to extend the Computer Associates and BMC contracts. Therefore, the table currently shows the February 2012 Computer Associates payment and March 2012 BMC payment. The State intends to amend the RFP to reflect the February 2013 Computer Associates payment and March 2013 BMC payment when the payment amounts are known.

The State is also working with other third-party vendors with Yearly Payment Schedules, to modify the payments to a shorter timeframe, such as six (6) months, quarterly, or monthly to lessen the pre-pay amount that the Contractor may incur on the Service Start Date.

CURRENT MAINFRAME STAFF POSITION INFORMATION

1 OIR MAINFRAME SUPPORT POSITIONS

The following table lists the OIR State job positions that are used to provide Mainframe Services to State Agencies. Proposers should note that all employees currently in these job positions will **not** be transferred to the Contractor. These job positions are provided for informational purposes only to allow Proposers to assess the Contractor resources necessary to provide Mainframe Services and to incorporate the transfer of OIR employees into their Proposals. Proposers should base the "OIR Transitioned Employees Cost" in the Cost Proposal Spreadsheet Tab A-Initial Trans Svcs referenced in RFP Attachment 6.3, Cost Proposal and Scoring Guide on a maximum of eighteen (18) OIR employees being transferred to the Contractor in accordance with Contract Attachment G. The State estimates the cost of transfer for Annual Salary, Annual Benefits, and Annual Longevity Bonus for the eighteen (18) employees not to exceed \$1.34M. The actual OIR employees to be transferred (Transitioned Employees) will be transcribed into Contract Attachment G prior to Contract signature. Note that the thirty-one (31) positions here are the Employees included in RFP Attachment 6.14 Mainframe Support Costs Base Case.

Job Position Title	Years of Service*	Monthly Salary	Annual Salary	Annual Benefits	Annual Longevity Bonus*
Computer Manager 1	11	3,419	41,028	21,832	1100
Computer Manager 2	30	4,499	53,985	18,805	3000
Information Resource Support Specialist 4	30	5,153	61,836	29,891	3000
Information Resource Support Specialist 4	30	4,707	56,484	19,372	3000
Information Resource Support Specialist 4	30	4,629	55,548	19,160	3000
Information Systems Technology Manager	30	7,201	86,412	26,159	3000
Information Systems Technology Manager	29	6,935	83,220	19,532	2900
Mainframe Computer Technician 1	11	2,606	31,275	22,529	1100
Mainframe Computer Technician 1	14	2,875	34,500	16,930	1400
Mainframe Computer Technician 1	14	2,876	34,510	16,933	1400
Mainframe Computer Technician 1	17	3,006	36,078	14,449	1700
Mainframe Computer Technician 1	29	3,549	42,588	16,198	2900
Mainframe Computer Technician 1	15	3,025	36,298	17,362	1500
Mainframe Computer Technician 1	19	3,342	40,109	15,409	1900
Mainframe Computer Technician 2	7	2,262	27,144	18,595	700
Mainframe Computer Technician 2	29	3,938	47,251	17,255	2900
Mainframe Computer Technician 2	30	4,966	59,587	14,195	3000
Mainframe Computer Technician 2	29	4,183	50,194	27,228	2900

Mainframe Computer Technician 2	27	3,896	46,752	17,097	2700
Mainframe Computer Operator 2	19	3,691	44,292	22,755	1900
Mainframe Computer Operator 2	7	\$2,262	27,149	18,595	700
Programmer Analyst 2	5	3,516	42,192	21,961	500
Programmer Analyst 2	16	\$3,878	46,536	16,798	1600
System Programmer 3	14	5,701	68,412	21,714	1400
System Programmer 4	27	6,122	73,464	23,155	2700
System Programmer 4	5	6,051	72,612	22,463	500
System Programmer 4	30	6,122	73,464	29,621	3000
System Programmer 4	19	6,163	73,956	32,391	1900
System Programmer 4	20	5,949	71,388	16,644	2000
System Programmer 4	14	5,871	70,452	22,177	1400
System Programmer 4	22	6,945	83,340	25,281	2200

2 DHS PRODUCTION CONTROL SUPPORT POSITIONS

The following table lists the DHS State job positions that are used to provide DHS production control services. Proposers should note that all employees currently in these job positions will **not** be transferred to the Contractor. These job positions are provided for informational purposes only to allow Proposers to assess the Contractor resources necessary to provide DHS production control services and to incorporate the transfer of DHS employees into their Proposals. Proposers should base the "Optional DHS Transitioned Employees Cost" in the Cost Proposal Spreadsheet Tab A-Initial Trans Svcs referenced in RFP Attachment 6.3, Cost Proposal and Scoring Guide on a maximum of ten (10) DHS employees being transferred to the Contractor in accordance with Contract Attachment G. The State estimates the cost of transfer for Annual Salary, Annual Benefits, and Annual Longevity Bonus for the ten (10) employees not to exceed \$560,000. The actual DHS employees to be transferred (Transitioned Employees) will be transcribed into Contract Attachment G prior to Contract signature.

Job Position Title	Years of Service*	Monthly Salary	Annual Salary	Annual Benefits	Annual Longevity Bonus*
Information Resource Support Specialist 2	8	3,145	37,740	6,794	800
Information Resource Support Specialist 2	1	2,774	33,288	5,992	0
Information Resource Support Specialist 2	36	4,229	50,748	9,135	3000
Information Resource Support Specialist 2	6	3,377	40,524	7,295	600
Information Resource Support Specialist 2	34	3,567	42,804	7,704	3000
Information Resource Support Specialist 2	16	3,369	40,428	7,277	1600
Information Resource Support Specialist 3	33	4,341	52,092	9,376	3000
Information Resource Support Specialist 3	33	4,594	55,128	9,923	3000
Information Resource Support Specialist 3	8	3,889	46,668	8,400	800

Information Resource Support Specialist 3	32	4,707	56,484	10,166	3000
Information Resource Support Specialist 4	8	4,261	51,132	9,204	800
Information Resource Support Specialist 5	10	4,444	53,328	9,599	1000
Information Systems Manager 3	13	5,250	63,000	11,340	1300

*For all positions listed in Tables 1 and 2, the Annual Longevity Bonus is paid yearly beginning on the anniversary month of the third year of service at a rate of \$100 per year of service to a maximum of \$3000. Since employees accrue an additional year of service in the anniversary month of their hire date, any employee listed could have accrued another year of service and a \$100 increase in the Annual Longevity Bonus during the RFP process prior to Contract award.

3 JOB POSITION DESCRIPTIONS

Job Overview: Computer Manager
<p>Summary: Under general supervision, is responsible for professional supervisory and managerial work of average difficulty; and performs related work as required.</p> <p>Distinguishing Features: An employee in this class manages (1) all major functional areas (data entry, production control and machine operations) in a small unit or site; (2) one or more major functional areas at a medium sized or moderately complex unit or site or (3) assists in managing one major functional area in a large and/or complex unit or site. Employees in this class supervise activities such as distributed or mainframe computer operations, data processing clerical operations, data entry, production control and scheduling and word processing operations.</p>
Examples of Duties and Responsibilities:
<ol style="list-style-type: none"> 1. Assigns, trains, supervises and evaluates subordinate data processing and computer operations staff and their work; assists in or makes recommendations on staff employment, retention, promotion, demotion, dismissal and other human resources actions. 2. Plans, schedules and determines priorities on all work to be run on the computer, in order to attain maximum utilization and efficiency of equipment and personnel; ensures that there are no conflicts in the time and sequence of work run on the computer. 3. Consults with information systems analysis staff, departmental personnel and upper management in resolving problems occurring during the implementation, modification and testing of computer programs and information systems; ensures that new systems are properly phased into production status. 4. Assists in or supervises the quality control of data input into the computer and the monitoring of data output for correctness and completeness; identifies computer operations errors and determines and attempts to correct factors causing the errors; consults with computer hardware vendors in correcting equipment malfunctions. 5. Assists in or analyzes site data processing resources and recommends ways to increase efficiency and cost effectiveness of equipment and organization, operations and procedures.

6. Interprets and enforces data processing policies and procedures at the site; may develop and maintain procedures for the operation of data processing equipment.
7. Supervises the preparation and maintenance of routine data processing records and reports such as printing output reports, logs on jobs and tapes run and operation error reports; prepares reports for upper management on the performance and utilization of subordinate operations staff.
8. Trains or supervises the training of subordinate personnel in performing data entry, remote job entry operations, computer operations, production control and scheduling functions.
9. May operate disk drives, tape drives, printers, master consoles, remote job entry and other related peripheral computer equipment in the performance of work.
10. May assist information systems analyst staff in conducting cost and feasibility studies to determine the advisability of converting existing administrative, reporting and statistical systems to electronic data processing systems.

Job Overview: Information Systems Resource Specialist

Summary: Under general supervision, performs information systems technical support work of average difficulty; and performs related work as required.

Distinguishing Features: An employee in this class diagnoses and resolves single-user software and hardware problems related to microcomputers or minicomputers, as well as software and peripheral devices utilized by the mainframe system.

Examples of Duties and Responsibilities:

1. Provides technical support for agencies on the proper utilization of software and hardware which is currently on contract or currently available to satisfy user defined functions; conducts tests (e.g., time sequencing, coding, software and hardware compatibility, or run times) which assure that the equipment or hardware adequately meets defined work functions; writes installation procedures for hardware or software products; runs cables, connects peripheral equipment to hardware, and sets up equipment at work site; disseminates to end users information about product upgrades, document formatting, or test results on software or hardware products; corrects such hardware or software problems as printing errors, operating system errors, or disk drive malfunctions and documents the corrections.
2. Codes application software for inventory reports, statistical analysis, data modification, ad hoc reports, or other single application programs using SAS, Culprit, dBase, Lotus, or other software products; writes or modifies program specifications which describe the flow of data and processes through each function of a program; writes a program test plan and submits test runs of programs to ascertain if the programs produce expected results and correct output; writes narratives which describe the purposes and procedures for program development.
3. Trains support staff and end users in the installation and use of hardware or software products; instructs staff one-on-one or through formal classroom instruction, about such standardized systems operations as the procedure to follow to access a computer application, or to protect and use computer equipment; provides feedback to the course designer about content which may be modified.

4. Tests and may write the technical documentation prepared for software or hardware installation; corrects steps omitted, out of sequence, or in error within the technical documentation; modifies screen layouts, operating system procedures, or new menu options within the technical documentation; assures that program narratives prepared for inventory reports, statistical analysis, data modification, ad hoc reports, or other single application programs comprehensively and accurately assess work functions; customizes hardware or software installation procedures based on vendor-recommended procedures and the results indicated by in-house tests; corrects and documents such daily operational problems as peripheral equipment malfunctions, applications software errors, or user errors.
5. Develops systems analysis packages; interviews line personnel and reviews existing documentation to acquire information about work requirements; prepares structured models of the proposed system, including data flow diagrams and process specifications which illustrate the functional processes of the system, and the data dictionary which describes the data being processed.
6. Assures that a proposed system modification operates correctly and meets the needs of the user; defines the information to be displayed on forms, computer screens, and reports; prepares instructions which detail modifications and enhancements.
7. May conduct post implementation audits; evaluates the implemented system to determine if it meets objectives originally proposed prior to its development; collects bills, invoices, copies of reports and other system performance data; observes and documents terminal response time, paperwork reduction, or improved services demonstrated by personnel who use the system; defines discrepancies or costs and benefits between the actual operation of the system and the system as it was originally proposed.

Job Overview: Mainframe Computer Technician

Summary: Under immediate supervision, is responsible for professional mainframe computer operations technical work of average difficulty in identifying and analyzing computer operations errors to determine the factors causing the errors; and performs related work as required.

Distinguishing Features: An employee in this class identifies, documents, and analyzes computer operations errors to determine factors causing the errors. This work involves correcting those errors caused by computer operators and referring problems caused by equipment malfunction or programming mistakes to appropriate computer hardware vendors or programming staff for correction.

Examples of Duties and Responsibilities:

1. Monitors master terminal operations; identifies, documents and analyzes computer operations errors to determine factors causing the errors, whether related to equipment or hardware malfunction, operator mistakes, or programming errors.
2. Corrects operator-caused errors by keying in corrective commands to the computer terminal.
3. Consults with computer equipment vendors to correct hardware problems; identifies hardware malfunctions and provides vendors with documentation on the time, location, and description of operation problems caused by equipment malfunction; follows up on all corrective maintenance performed by the hardware vendor to ensure that machine failures are adequately corrected.
4. Provides technical assistance in problem solving to remote job entry computer terminal operators; advises operators on procedures and techniques to start, maintain, and end system operating functions and gives guidance on procedures to correct operator errors.
5. Assists with the installation of new computer equipment by determining cable requirements, electrical requirements and designing floor space

layouts; maintains up-to-date cable inventory, electrical circuit breaker information, and system configuration diagrams.

6. Operates tape drives, disk drives, printers, and computer master consoles in the performance of error identification and correction duties; learns to operate a variety of test equipment such as oscilloscopes, computer monitors and telephone patch panels in monitoring and identifying telephone line related problems causing teleprocessing errors.

7. May determine proper scheduling and space allocation for work to be run through the computer in order to maximize resources for the most effective and efficient utilization of computer time and equipment.

8. May assist technical programming staff in conducting recovery operations in the event of inadvertent destruction of all or part of the operating system; may assist with recovery activities related to installed telecommunications software.

9. May maintain test and production libraries of programs containing space, directory block, and password information and keep these libraries updated and accurate; may monitor program output to identify errors, and inform programmers of the need for corrective action.

10. May assist in training computer operators in the performance of work.

11. Prepares and maintains a variety of routine computer operation reports; compiles statistics on system operations, and documents equipment malfunctions and programming and operator errors.

Job Overview: Mainframe Computer Operator

Summary: Under general supervision, is responsible for mainframe computer operations work of average difficulty in operating "large system" tape drives, printers and master console equipment controlling all job production at a complex operations site; and performs related work as required.

Distinguishing Features: An employee in this class maintains and operates peripheral equipment and monitors the master console and other computer operations to identify problems that affect the processing of jobs across agencies.

Examples of Duties and Responsibilities:

1. Corrects problems with jobs that exceed operational parameters; determines whether a job is running within a defined execution time, awaiting set-up, or printing by entering job name into terminal; identifies a variety of solutions from an operations manual including whether to resubmit the job, cancel job or change priority to correct problems with jobs that exceed operational parameters; identifies and isolates operational errors, such as incorrect program applications, that would cause the entire mainframe system to fail.

2. Maintains printers, tape drives, card readers and other peripheral equipment as well as bursters, decollators, shredders and other auxiliary equipment; determines which equipment needs cleaning from a schedule or from messages on input-output devices; prepares equipment for service work by draining printer, taking equipment off-line, and taking other necessary steps; records information pertaining to equipment problems in a log to identify recurring problems; replaces print bands, ribbons, and other consumables to facilitate the running of equipment.

3. Maintains files in the tape library; retrieves requested tapes by locating tape number and removing appropriate tape from rack; places tapes into cleaning machine so that contaminants are removed and tape attributes including tape length and bad sectors can be identified; records specific problems and types of repairs into a log; learns how to retrieve dropped tapes, remove stuck tapes, or take other corrective action to repair

malfunctions in a mechanical tape library management system; learns to identify error codes on screen so that tape management system can be updated.

4. Ensures that printers and disk/tape drives operate correctly; types START, STOP, RUN, and other operational commands to initiate the processing of a job; responds to operator commands to mount tape, disk, microfiche, and other output medium; types operational commands which define parameters for reports, microfiche, special forms and other output device; enters commands which identify the specific output device to be used; sets parameters on printers which regulate print density, print quality, and alignment; loads payroll checks, bills, and other negotiable documents into printer; replaces ribbons, changes drives or takes corrective steps to repair frequently occurring hardware malfunctions.
5. Prepares and distributes microfiche, special forms, and other types of output; separates output into individual jobs; loads forms to decollators or bursters to ensure pages are appropriately trimmed, separated and carbons removed; matches job name or identification number on reports, microfiche, special forms, and other types of output to distribute the product to users and other computer operators; determines whether job control commands should be separated from output before distribution; assures that printed negotiable documents are distributed only to authorized personnel.
6. Backs-up and recovers data from the original files; monitors terminals while alphanumeric data contained in files are being duplicated to a tape or disk to identify hardware (e.g., disk drive or tape drive) or data (e.g., disk, diskette, tape) errors; takes corrective action including cleaning tape drive or disk drive, changing drives, or inserting new tapes, disks, or diskettes to correct specific hardware errors; separates tapes or disks on which the back-up files are stored by file identification number or vault specification to prepare files to be transferred to a secured location.
7. Learns to enter data to update a data file; types authorization codes to gain entry to secured areas of the system; compares input records to established format requirements to ensure the suitability of the input; keys data to produce an automated file or record.
8. Submits jobs for processing; ensures data entry personnel have entered alphanumeric data correctly by examining header sheets and labels, or identifying error messages or printouts; types in execute commands that send jobs to mainframe or other processing units; records identifying information in a log including job name, number and time submitted in order to track job status; may type in alphanumeric data a second time to remedy data errors.
9. Helps users solve their problems with computer terminals or printers; determines whether the problem is related to hardware, software, or line errors; tells user how to correct minor hardware and software problems; contacts vendor to obtain a service technician for hardware malfunctions.
10. Assists the supervisor by helping teach trainees to operate and maintain peripheral equipment, monitor computer processing and perform other functions required to facilitate processing of jobs on the mainframe.

Job Overview: Programmer Analyst

Summary: Under general supervision, is responsible for professional applications computer programming work of considerable difficulty and computer systems design work of average difficulty; and performs related work as required.

Distinguishing Features: An employee in this class, either independently or as a member of a project team, designs, modifies, codes, and/or implements complex business applications programs.

Examples of Duties and Responsibilities:

1. Documents all user, data, equipment, security, and legal requirements for a proposed system change: discusses current system operations, proposed system requirements, and user needs with relevant stakeholders, including clients, users, and management; examines system specifications, input/output reports, existing equipment, security protocols, and system interfaces to understand how the current system operates; compares current system processes with proposed system changes in order to determine the potential impact on other systems and business operations; documents levels of user access to system based on user and/or legal requirements; creates a data dictionary describing the included data elements and the structure of information; documents the operation of the current and proposed systems, user needs, and the resources available for the project; reviews the proposed system changes with stakeholders to ensure that the project goals are consistent with user and legal requirements.
2. Defines the data elements, input and output sources, and how data will be transmitted through a proposed system: estimates the type of information to be entered, computed, updated, or otherwise used in the system; identifies all data input and output sources, and their logical linkages, in order to estimate the volume of associated data within the system; evaluates the effect of data volume upon the system to determine the impact on the project; recommends the type of computer language the application software will be written in and what hardware is needed to run the application based on the information gathered during system research; creates input and output forms using manual or electronic design tools; writes a conversion plan describing the manual and/or automated steps required to transfer existing data into new data fields; discusses with stakeholders how interfaces will operate, how input forms and output reports will appear and function, and the details of the security plan to ensure that user requirements and established guidelines are met; revises project specifications based on user feedback and projected performance of the system.
3. May advise management of options that are available to develop or modify an existing system or purchase and modify a commercially available system: reviews commercially available software or hardware in order to determine whether available products may accomplish system requirements; compares the costs of commercially available software packages and applications based on purchase price and potential in-house modification costs; communicates with vendors about user requirements for a proposed system in order to obtain an estimate of time and cost required to purchase software or hardware products; makes recommendations to management in writing of viable solution to systems problems.
4. May establish and document the cost effectiveness of an approved system; itemizes manpower requirements, processing costs, equipment, and all other known costs associated with the project; discusses with the user the benefits expected to be provided by the proposed system; compares the current system and proposed system costs to estimate if the potential benefits outweigh the costs; develops a recommendation of project feasibility by examining the results of a cost benefit analysis and other factors that impact improved public service; tracks actual costs versus proposed costs detailed in the original cost/benefit analysis throughout the life-cycle of the project; discusses with the user the types and cost of equipment and system resources that will be required for the operation of the system when implemented.
5. Prepares a program package containing the program design narrative, data flow diagrams, and data dictionary to be used in the writing of program source code: draws graphical diagrams to describe data flow and relationships and the manual and automated business processes of the system; writes program design narrative describing the function of each program or triggered event performed by the system; composes messages which will be output by programs to assist in error identification and correction; writes a test plan describing the types of data and tests needed to check all known possible conditions within the program; performs a system walkthrough with information technology peers to identify and correct any design problems or ineffective program logic or proposed coding; modifies program design narrative based on user feedback and walkthrough results.
6. Produces an executable program according to the specifications identified in the program design narrative and performs necessary system tests: creates view/screen displays in order to determine how the graphical layout of the system screens will be coded; writes procedural source code

statements using syntax and established software application standards; writes an instruction set in a procedural control language that enables the computer to initiate the processing sequence and execute the program; generates data to test programs and/or system conditions by extracting data from existing sources or entering new data; tests and troubleshoots programs using generated data to determine if the program produces the correct execution sequence and programs interface as specified; tests a program within a multi-user environment by running a real-time simulation with users; changes program code to address any unexpected or inaccurate processes identified in the system test or through user feedback; compiles and prepares program documentation which includes the test plan, program specifications, program narrative, client approval, and results of walkthroughs and testing.

7. Designs databases and data tables and files for use in a large impact, highly interconnected system, with multiple users, based on state approved data naming and structure standards: identifies the necessary data elements, keys/search criteria, indexes, data retrieval requirements, and level of security needed for different types of system data; writes associated code to create data tables/files based on field lengths and data elements; codes triggers and stored procedures in order to retrieve and manipulate specific data based on required business processes; reviews project specifications with database administrators to ensure that programs are moved to appropriate production environments, established standards are met, and that data integrity is maintained.

8. May verify that project goals and objectives are met on a timely basis and within costs: identifies and plans project tasks, task dependencies or interrelationships, and schedules completion dates for tasks; writes timely status reports to management summarizing the status of a project as it relates to the scheduling of their own work, the status of deliverables, and the impact on user business activities; identifies and assembles pertinent data and prepares a presentation using appropriate media or devices; conducts project relevant presentations to stakeholders and/or management and answers any related questions.

9. Implements completed and approved application software in a user-ready environment and provides appropriate user training: changes software components to access the appropriate environment by updating data linkages, data libraries, and/or Universal Routing Locator (URL) addresses; coordinates with other staff to complete the migration of an application to a production environment by discussing such issues as timeframe of project, system requirements, and staff availability; writes an implementation plan detailing the stakeholder contact list, schedules of tasks for startup, and timeframe for the project; writes data backup procedures documenting how and when files are to be copied and saved; transfers executable files and associated table structures from one operating environment to another in order to implement the approved system; writes operations manuals detailing the frequency and timing of job schedules, any required data conversion, and the methods of archiving and retrieving files; instructs system users on the functionality of the system, including error resolution, entering online transactions, and reading inquiry screens; writes code or program instructions to address any system errors encountered by the users; documents the results of the implementation review in order to make a recommendation regarding the success of the project.

Job Overview: Systems Programmer

Summary: Under general supervision, is responsible for providing multi-agency, Statewide hardware and software technical support on State-standard server platforms (MVS, UNIX, Novell, Windows/NT) and performs related work as required.

Distinguishing Features: An employee in this class is responsible for implementation, integration, and management of hardware and operating system software, which is primarily integrated with applications or with client (desktop) software in a multi-agency environment.

Examples of Duties and Responsibilities:

1. Develops evaluation criteria for selecting mainframe software or hardware by identifying user requirements, technical considerations and business considerations.

2. Writes narratives that summarize the functional and technical requirements of the server-related hardware; answers inquiries from representatives of the purchasing department; answers inquiries from potential vendors clarifying user and system requirements; compares low bids with technical specifications to assure compliance with the specifications.
3. Determines installation requirements for hardware and software by reviewing selected hardware and software compatibility, prerequisite packages and maintenance and release levels required; loads software, implements hardware, applies prerequisite and corrects release-level problems; runs selected jobs and reviews output, condition codes and impact on the infrastructure.
4. Prepares a variety of technical records and reports such as program documentation, written recommendations on technical problems and evaluation of hardware and software.
5. Reviews output, talks to vendors and reviews software documentation identifying causes of installation or exit code errors; recodes exit code or contacts vendor to correct errors in the software package.
6. Writes exit routines or scripts (e.g., with Assembler language or UNIX shell scripts) to modify and implement software; develops new software when a product is not commercially available.
7. Reviews the timeliness of work produced and observes response time to determine if minimum standards of service are maintained; reviews system logs, message queues, system and network monitor reports, traces, paging level, error analysis reports and system dumps to identify the causes of slow response or poor throughput.
8. Monitors software packages by reviewing output and discussing exceptions with other systems staff and users to assure accuracy of information produced by the software.
9. Reviews information provided by automated performance monitor tools to determine service levels and infrastructure health; diagnoses exceptions.
10. Collects statistical data such as the number of input/output (I/O) accesses, processor cycles utilized, amount of memory and direct access storage capacity used by running system utility programs and executing online monitors.
11. Formats, verifies the reliability and tests new disk hardware by running utility programs; enters definitions of network configurations into software packages assuring hardware/software compatibility.
12. Performs capacity planning (e.g., memory, storage, processing power) for hardware by monitoring usage and user requirements.
13. Implements and diagnoses network topologies including token ring, Ethernet, and SNA. Configures or gens network equipment including switches, hubs, and front end processors.
14. Uses network management tools (e.g., SNMP management tools, Netview, HP Openview, Optivity) to diagnose network problems.

MAINFRAME SUPPORT COSTS BASE CASE

1. COST PROJECTIONS

The following table provides the projected mainframe support costs for the next seven (7) years ("Base Case"). The "Base Year" for the projections was fiscal year 2012 (July 1, 2011 through June 30, 2012). The Base Case provides projections of how much it would cost the State to provide the Mainframe Services itself. The Proposer should refer to this Base Case and ensure that its Proposed Costs for On-Going Mainframe Services would not result in an increase in cost to the State.

Category	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Employees (FTEs)	31.0	31.2	31.4	31.6	31.8	31.9	32.1	32.5	222.4
Salaries and Wages	\$1,672,056	\$1,697,900	\$1,724,143	\$1,750,792	\$1,777,853	\$1,805,333	\$1,833,237	\$1,868,974	\$12,458,232
Overtime	\$11,576	\$11,755	\$11,937	\$12,121	\$12,308	\$12,499	\$12,692	\$12,939	\$86,251
Employee Bonuses	\$62,900	\$65,300	\$67,300	\$69,300	\$71,100	\$72,900	\$74,700	\$76,500	\$497,100
Employee Benefits	\$642,486	\$652,417	\$662,501	\$672,740	\$683,139	\$693,697	\$704,419	\$718,151	\$4,787,064
Office Supplies and Misc	\$7,386	\$7,282	\$7,179	\$7,078	\$6,978	\$6,879	\$6,782	\$6,713	\$48,889
Mainframe Disaster Recovery Services and Off-Site Tape Storage	\$373,773	\$384,986	\$396,536	\$408,432	\$420,685	\$433,305	\$446,305	\$468,620	\$2,958,868
Maintenance - Equipment	\$653,935	\$687,024	\$721,788	\$758,310	\$796,680	\$836,992	\$879,344	\$941,778	\$5,621,917
Software Maintenance/Licenses	\$9,970,860	\$10,261,810	\$10,561,249	\$10,869,427	\$11,186,596	\$11,513,021	\$11,848,971	\$12,267,240	\$78,508,315
Depreciation	\$0	\$539,825	\$527,800	\$521,889	\$516,044	\$510,264	\$135,000	\$145,000	\$2,895,822
Utilities	\$767,388	\$790,410	\$814,122	\$838,546	\$863,702	\$889,613	\$916,301	\$962,116	\$6,074,810
Network Charges	\$100,000	\$103,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405	\$125,375	\$791,622
Other Misc Expenses	\$1,703,935	\$1,679,875	\$1,656,156	\$1,632,771	\$1,609,716	\$1,586,987	\$1,564,579	\$1,548,620	\$11,278,703
Direct Expense Total	\$15,966,295	\$16,881,583	\$17,256,800	\$17,650,678	\$18,057,352	\$18,477,418	\$18,541,735	\$19,142,026	\$126,007,593

2. COST PROJECTION FACTORS

The following table provides the factors used to construct the Base Case.

Growth, Economic and Productivity Factors

Growth Factors Mainframe:	Factor	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Services	3%	3%	3%	3%	3%	3%	3%	5%
Compounded Services	100%	103%	106%	109%	113%	116%	119%	125%
Software	30%	1%	1%	1%	1%	1%	1%	2%
Compounded Software	100%	101%	102%	103%	104%	105%	106%	107%
FTEs	20%	1%	1%	1%	1%	1%	1%	1%
Compounded FTEs	100%	101%	101%	102%	102%	103%	104%	105%

Growth Factors Servers:	Factor	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Services	5%	5%	5%	5%	5%	5%	5%	5%
Compounded Services	100%	105%	110%	116%	122%	128%	134%	141%
Software	30%	2%	2%	2%	2%	2%	2%	2%
Compounded Software	100%	102%	103%	105%	106%	108%	109%	111%
FTEs	20%	1%	1%	1%	1%	1%	1%	1%
Compounded FTEs	100%	101%	102%	103%	104%	105%	106%	107%

Economic Factors:	Factor	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Annual Inflation	0%	0%	0%	0%	0%	0%	0%	0%
Compounded Inflation	100%	100%	100%	100%	100%	100%	100%	100%
Annual Salary Inflation	3%	3%	3%	3%	3%	3%	3%	3%
Compounded Salary Inflation	100%	103%	106%	109%	113%	116%	119%	123%
Annual Benefits Inflation	4%	4%	4%	4%	4%	4%	4%	4%
Compounded Benefits Inflation	100%	104%	108%	112%	117%	122%	127%	132%
Annual Hardware Inflation	-4%	-4%	-4%	-4%	-4%	-4%	-4%	-4%
Compounded Hardware Inflation	100%	96%	92%	88%	85%	82%	78%	75%
Annual Software Inflation	3%	3%	3%	3%	3%	3%	3%	3%
Compounded Software Inflation	100%	103%	106%	109%	113%	116%	119%	123%

Annual Maintenance Inflation	2%	2%	2%	2%	2%	2%	2%	2%
Compounded Maintenance Inflation	100%	102%	104%	106%	108%	110%	113%	115%
Annual Facilities Inflation	1%	1%	1%	1%	1%	1%	1%	1%
Compounded Facilities Inflation	100%	101%	102%	103%	104%	105%	106%	107%

Productivity Factors:	Factor	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
FTEs	-2%	-2%	-2%	-2%	-2%	-2%	-2%	-2%
Compounded FTEs	100%	98%	96%	94%	92%	90%	89%	87%

BEST AND FINAL OFFER (BAFO) PROCESS

1 Introduction

In the interest of obtaining the best value for the State of Tennessee and ensuring the success of the Mainframe Services project, the RFP will incorporate a Best and Final Offer (BAFO) process. The BAFO process will take place after the State scores the initial Technical Proposals. The initial process is referred to as “Round 1”; the BAFO process itself takes place in “Round 2.” These two stages and their associated procedures are described below.

Important Note: Unless otherwise specifically indicated in writing by the State, all requirements concerning Proposal development, packaging, and submission as defined throughout the RFP, and specifically in RFP Section 3, shall also apply to the BAFO process. This applies, for example, to the number of paper and CD copies, etc.

2 Round 1 – Evaluation of Initial Technical Proposal and review of Initial Cost Proposal

- 2.1 Interested Proposers will submit an initial Proposal, which will contain a Technical and Cost Proposal, in accordance with the process described in RFP Section 3. The Initial Technical Proposal will follow the format described in RFP Attachment 6.2, Technical Proposal and Evaluation Guide. The Initial Cost Proposal shall be submitted on the Cost Proposal Spreadsheet referenced in RFP Attachment 6.3, Cost Proposal and Scoring Guide.
- 2.2 The State will score the initial Technical Proposals, as described RFP Section 5. The scores shall be based on the following components: General Qualifications and Experience; and Technical Qualifications, Experience, and Approach. Technical Proposal scores will be finalized and secured prior to proceeding to Round 2.
- 2.3 This score is not in any sense a final score and the evaluation process shall not be deemed to be complete at this point. Therefore, neither the scoring results nor any other documentation associated with the evaluation process is available for public access at this time. Evaluators will not have access to other evaluators’ Technical Proposal scores or to any other detailed Round 1 scoring results.
- 2.4 After the Technical Proposal scores are complete and secured, the RFP Coordinator will open the Initial Cost Proposals. Subject Matter Experts (SMEs) will review these costs, as they relate to the Technical Proposal, to determine the reasonableness of the Proposals and to determine if there are areas where the Proposers appear not to understand the State requirements. The SMEs’ findings may result in additional questions/clarifications that will be included in the BAFO process described below. The Initial Cost Proposals will not be scored.
- 2.4 All Proposers that pass mandatory requirements during Round 1 will qualify to participate in Round 2.

3 Round 2 – BAFO Process

- 3.1 Contemporaneous with the Initial Technical Proposal scoring and Initial Cost Proposal review, the State Evaluation Teams and SMEs may identify areas of the Technical Proposals that require further clarification, or areas in which it is apparent that there may have been miscommunications or misunderstandings as to the State’s requirements. The identified issues will be included in a draft BAFO Request.
- 3.2 The BAFO Request document will be structured as follows:
 - 3.2.1 BAFO Technical Section – This section will be further subdivided, with questions based on information gathered during initial Proposal review:
 - 3.2.1.1 Questions/clarifications applicable to all Proposers

3.2.1.2 Questions/clarifications specific to a given Proposer

- 3.2.2 Cost Section – This will require the submission of the BAFO Cost Proposal, using the Cost Proposal format specified in RFP Attachment 6.3, Cost Proposal and Scoring Guide.

Note that each BAFO Request will be unique and Proposers will not be able to see other Proposers' BAFO Requests prior to the issuance of the Evaluation Notice (see RFP Section 2, RFP Schedule of Events).

- 3.3 Prior to distributing the BAFO Request documents to the Proposers, the State Evaluation Teams will review, modify, and approve the documents. After this process, the BAFO Request Documents will be sent to the specific Proposers to which they pertain.
- 3.4 Proposer's BAFO Proposal. The Proposer's BAFO Proposal will be submitted in two separately sealed and packaged sections coinciding with the structure described in above in Section 3.2: (1) BAFO Technical Proposal; and (2) BAFO Cost Proposal.
- 3.6 BAFO Technical Proposal. In its response to the BAFO Technical Section, the Proposer will not resubmit the entire Technical Proposal. Instead, the Proposer will respond to the specific requests detailed in the BAFO request document. In addition, with the exception of RFP Attachment 6.2, Mandatory Requirement Items A.1, A.2, A.3, A.4, and A.5, the Proposer may address other sections of the Proposal that were not identified by the State, but that the Proposer believes need to be clarified or supplemented in its BAFO response. All response items shall specifically reference the RFP Section to which they pertain. Important Note: The BAFO Technical Section must **NOT** contain any cost information.
- 3.7 BAFO Cost Proposal. The Proposer will take the information provided in the BAFO Request document into account and will submit a BAFO Cost Proposal, using the Cost Proposal spreadsheet referenced in RFP Attachment 6.3. The Cost Proposal shall be sealed and packaged separately from the BAFO Technical Proposal.
- 3.8 Proposers shall submit their BAFO responses to the RFP Coordinator named in RFP Section 3.2.4 by no later than the date specified in RFP Section 2, RFP Schedule of Events.
- 3.9 The State RFP Coordinator will receive the BAFOs and, with the assistance of the SMEs, will create BAFO score sheets, which the evaluators will use to record revised technical scores for Technical Proposal sections clarified by the Proposers as a result of the BAFO Request document. If the Proposers have identified any additional Technical Proposal areas that require clarification or supplementation, but that were not identified by the State in the BAFO Request, the score sheets will also be updated to include space for evaluators to update these scores. The BAFO score sheets will include a column for the initial score given in Round 1 and a column for the revised BAFO score. For an example of the format of the BAFO score sheets, see RFP Attachment 6.16.
- 3.10 On the BAFO score sheets, for any sections which have not been clarified or supplemented through the BAFO process, the State will simply carry the initial scores forward, without change, from the "Initial Score" (Round 1) score column into the "BAFO Score" column. Evaluators will not be able to overwrite or change these Round 1 scores.
- 3.11 For all sections that have been clarified or supplemented, the relevant row in the BAFO Score column will be blank, and the evaluator will enter a new score for this section. Note that this score could be higher than, lower than, or the same as the Round 1 score, depending on the evaluator's assessment of the revised information.
- 3.12 The resulting score sheet will contain scores in all rows of the BAFO scores column. These scores will then be used as described in the BAFO score sheets (RFP Attachment 6.16) to determine BAFO scores for the following Technical Proposal sections: General Qualifications and Experience; and Technical Qualifications, Experience, and Approach. The State will record the BAFO scores from all evaluators on the Proposal Score Summary Matrix (RFP Attachment 6.5),

average the scores, and perform the necessary calculations to determine Proposer's final BAFO Technical Score.

- 3.13 After the BAFO Technical Scores for all Proposers have been finalized, the RFP Coordinator will open the Cost Proposals and calculate the Cost Score using the formulae contained in the Cost Proposal Spreadsheet referenced in RFP Attachment 6.3. These Cost Scores will also be entered into the Proposal Score Summary Matrix.
- 3.14 The BAFO Technical Score will then be added to the Cost Score to derive the Final BAFO Score.
- 3.15 The Proposal Evaluation Team will recommend for award the Proposer with the highest Final BAFO Score.

BEST AND FINAL OFFER (BAFO) SCORESHEETS

- 1 RFP Attachment 6.3, Section B, BAFO Scoresheets** - The BAFO scoresheets for RFP Attachment 6.3, Section B will be identical to the scoresheets used during the Initial Proposal evaluation, with the exception of an extra Row, added at the bottom, to accommodate the BAFO score:

BAFO SCORE (for <u>all</u> Section B items above, B.1 through B.19): <i>(maximum possible score = 20)</i>	
<i>State Use – Evaluator Identification:</i>	

- 2 RFP Attachment 6.3, Section C, BAFO Scoresheets** - The BAFO score sheet on the following page is an example, with partial contents, to indicate the format that will be used. The actual scoresheets will be developed during the BAFO process, as it becomes known which areas the Proposers have modified, and therefore which areas must to be re-scored.

BAFO PROPOSAL SECTION C: TECHNICAL QUALIFICATIONS, EXPERIENCE & APPROACH. The Proposer must address all items (below) and provide, in sequence, the information and documentation as required (referenced with the associated item references). The Proposer must also detail the proposal page number for each item in the appropriate space below.

A Proposal Evaluation Team, made up of three or more State employees, will independently evaluate and score the proposal's response to each item. Each evaluator will use the following whole number, raw point scale for scoring each item:

0 = little value

1 = poor

2 = fair

3 = satisfactory

4 = good

5 = excellent

The RFP Coordinator will multiply the Item Score by the associated Evaluation Factor (indicating the relative emphasis of the item in the overall evaluation). The resulting product will be the item's raw, weighted score for purposes of calculating the section score as indicated.

TECHNICAL PROPOSAL & EVALUATION GUIDE — SECTION C							
PROPOSER LEGAL ENTITY NAME:							
Proposal Page # (Proposer completes)	Item Ref.	Section C— Technical Qualifications, Experience & Approach Items	State Use ONLY				
			Evaluation Factor	Initial		BAFO	
				Score	Weighted Score	Score	Weighted Score
	C.1.	Describe the Proposer's understanding of the State's requirements.	10				
	C.2.	Describe how the Proposer will manage the project, ensure completion of the scope of services, and accomplish required objectives.	8				
	C.3.	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 1 Operations, addressing all subsections, with particular emphasis on the following sections: 1.1, 1.4, 1.7, 1.8, 1.10, 1.12, and 1.27. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.	75				
	C.4	Describe how the Proposer will perform the services detailed in Contract Attachment C, Mainframe Services - Responsibility Matrix, Section 2 Production Control and Scheduling, addressing all subsections, with particular emphasis on Section 2.1. Also address any relevant shared responsibilities, as they appear in Contract Attachment D, Shared/Agency Responsibility Matrix.	14				

• • •

	C.28.	Describe aspects of the Proposer's service offering that make the Proposer flexible and able to make changes to the way it offers the services over the term of the contract, without significant business impact to the State.	10				
--	--------------	---	-----------	--	--	--	--

Total INITIAL Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>			
Total Initial Raw Weighted Score <hr/>	X 50 <i>(maximum section score)</i>	= INITIAL SCORE:	
Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i>			

Total BAFO Raw Weighted Score: <i>(sum of Raw Weighted Scores above)</i>			
Total BAFO Raw Weighted Score <hr/>	X 50 <i>(maximum section score)</i>	= BAFO SCORE:	
Maximum Possible Raw Weighted Score <i>(i.e., 5 x the sum of item weights above)</i>			

<p><i>State Use – Evaluator Identification:</i></p>
<p><i>State Use – RFP Coordinator Signature, Printed Name & Date:</i></p>

MIGRATION BLACKOUT DATES

In the following table are the dates during which the State Agencies would prefer that the Mainframe Services Migration **not** occur. While in some cases these are strong preferences, there may be some flexibility on the part of the State Agency to alter the dates.

STATE AGENCY	BLACKOUT BEGIN	BLACKOUT END
DHS	Sept 1	Sept 30
	Nov 1	Nov 30
Revenue	March 15	July 15
	Oct 15	Nov 15
Treasury	Jan 1	Jan 31
	June 15	July 15
	Aug 1	Sept 30